



---

## SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

---

Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Wednesday, 3rd April, 2013 at 2.00 pm

*(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)*

---

### MEMBERSHIP

#### Councillors

- M Rafique (Chair) - Chapel Allerton;  
J Akhtar - Hyde Park and Woodhouse;  
D Cohen - Alwoodley;  
M Lyons - Temple Newsam;  
P Wadsworth - Guiseley and Rawdon;  
R Harington - Gipton and Harehills;  
M Ingham - Burmantofts and Richmond Hill;  
J McKenna - Armley;  
B Urry - Roundhay;  
J Chapman - Weetwood;  
J Marjoram - Calverley and Farsley;

---

*Please note: Certain or all items on this agenda may be recorded.*

---

**Agenda compiled by:**  
**Guy Close**  
**Governance Services**  
**Civic Hall**  
**LEEDS LS1 1UR**  
**Tel: 39 50878**

**Principal Scrutiny Advisor:**  
**Kate Arscott**  
**Tel: 24 74189**

# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED</b> – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p><b>No exempt items have been identified on this agenda.</b></p>	

3

### **LATE ITEMS**

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

### **DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS**

To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.

5

### **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES**

To receive any apologies for absence and notification of substitutes.

6

### **CALL IN DECISION - BRIEFING PAPER**

1 - 6

To consider the report of the Head of Scrutiny and Member Development advising the Scrutiny Board on the procedural aspects of Calling In the decision.

7

### **CALL IN - KIRKGATE MARKET STRATEGY**

7 - 64

To consider the report of the Head of Scrutiny and Member Development presenting the background papers to a decision which has been Called In in accordance with the Council's Constitution regarding Kirkgate Market Strategy.

8

### **OUTCOME OF CALL IN**

In accordance with Scrutiny Board Procedure Rules, to consider the Board's formal conclusions and recommendation(s) arising from the consideration of the called-in decision.

**DATE AND TIME OF NEXT MEETING**

Tuesday, 9<sup>th</sup> April 2013 at 10.00am (Pre-meeting  
for all Board Members at 9.30am)

**Report of the Head of Scrutiny and Member Development**

**Report to Scrutiny Board (Sustainable Economy and Culture)**

**Date: 8 April 2013**

**Subject: Call In Briefing Paper**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" 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: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. In accordance with the Council's Constitution, an Executive Board decision has been Called In. The background papers to this particular decision are set out as a separate agenda item and appropriate witnesses have been invited to give supporting evidence.
2. This report advises the Scrutiny Board on the procedural aspects of Calling In the decision.
3. The Board is advised that the Call In is specific to the report considered by the Executive Board and issues outside of this decision, including other related decisions, may not be considered as part of the Board's decision regarding the outcome of the Call In.

**Recommendations**

4. The Scrutiny Board is asked to note the contents of this report and to adopt the procedure as detailed within it.

## **1 Purpose of this report**

- 1.1 In accordance with the Council's Constitution, an Executive Board decision has been Called In. The background papers to this particular decision are set out as a separate agenda item and appropriate witnesses have been invited to give supporting evidence.
- 1.2 This report advises the Scrutiny Board on the procedural aspects of Calling In the decision.

## **2 Background information**

- 2.1 The Call In process provides the facility for the Scrutiny Board to require a decision taker to reconsider a decision within a specified time period. This is a separate function from the Scrutiny Board's ability to review decisions already taken and implemented.
- 2.2 The eligibility of an Executive Board decision for Call In is indicated in the minutes; the eligibility of an officer decision for Call In is indicated by the Director on the Delegated Decision Form.

## **3 Main issues**

- 3.1 The Board is advised that the Call In is specific to the report considered by the Executive Board and issues outside of this decision, including other related decisions, may not be considered as part of the Board's decision regarding the outcome of the Call In.

### Reviewing the decision

- 3.2 The process of reviewing the decision is as follows:
- Members who have requested the Call In invited to explain their concern/reason for Call In request.
  - Relevant Executive Board Member (supported by appropriate officers) asked to explain decision.
  - Further questioning from the Board as appropriate.
- 3.3 Members are reminded that it is only the decision Called In that the Board can make any recommendation on.

### Options available to the Board

- 3.4 Having reviewed the decision, the Scrutiny Board will need to agree what action it wishes to take. In doing so, it may pursue one of three courses of action as set out below:

#### *Option 1- Release the decision for implementation*

- 3.5 Having reviewed this decision, the Scrutiny Board may decide to release it for implementation. If the Scrutiny Board chooses this option, the decision will be immediately released for implementation and the decision may not be Called In again.

Option 2 - Recommend that the decision be reconsidered.

- 3.6 The Scrutiny Board may decide to recommend to the decision maker that the decision be reconsidered. If the Scrutiny Board chooses this option a report will be submitted to the decision maker.
- 3.7 In the case of an Executive Board decision, the report of the Scrutiny Board will be prepared within three working days of the Scrutiny Board meeting and submitted to the Executive Board. Any report of the Scrutiny Board will be referred to the next Executive Board meeting for consideration.
- 3.8 In reconsidering the decision and associated Scrutiny Board report, the Executive Board may vary the decision or confirm its original decision. In either case, this will form the basis of the final decision and will not be subject to any further call-in.

Option 3 - Recommend that the decision be reconsidered and refer the matter to full Council if recommendation not accepted.

- 3.11 This course of action would only apply if the Scrutiny Board determined that a decision **fell outside the Council's Budget and Policy Framework** and this determination were confirmed by the Council's Section 151 Officer (in relation to the budget) or Monitoring Officer (in relation to other policies).
- 3.12 If, at the conclusion of this meeting, the Scrutiny Board forms an initial determination that the decision in question should be challenged on the basis of contravening the Budget and Policy Framework, then confirmation will subsequently be sought from the appropriate statutory officer.
- 3.13 Should the statutory officer support the Scrutiny Board's determination, then the report of the Scrutiny Board will be presented in the same manner as for Option 2. If the decision maker accepts the recommendation of the Scrutiny Board in these circumstances, then the revised decision will be published in the same manner as for Option 2 and the decision may not be Called In again. If, however, the decision maker does not accept the recommendation of the Scrutiny Board, then the matter will be referred to full Council for final decision. Decisions of full Council may not be Called In.
- 3.14 In the event of the appropriate statutory officer concluding that the decision would not be a departure from the Budget and Policy Framework, then this will be the subject of a report to the Scrutiny Board, with a copy of the report presented to Executive Board. This would normally be progressed as for Option 2 (i.e. presented as a recommendation to the decision taker) but with no recourse to full Council in the event that the decision is not varied. As with Option 2, no further Call In of the decision would be possible.
- 3.15 However, the Scrutiny Board may resolve that, if the statutory officer does not confirm contravention of the Budget and Policy Framework, then it should be released for implementation in accordance with Option 1.

### Failure to agree one of the above options

- 3.16 If the Scrutiny Board, for any reason, does not agree one of the above courses of action at this meeting, then Option 1 will be adopted by default, i.e. the decision will be released for implementation with no further recourse to Call In.

### Formulating the Board's report

- 3.17 If the Scrutiny Board decides to release the decision for implementation (i.e. Option 1), then the Scrutiny Support Unit will process the necessary notifications and no further action is required by the Board.
- 3.18 If the Scrutiny Board wishes to recommend that the decision be reconsidered (i.e. Options 2 or 3), then it will be necessary for the Scrutiny Board to agree a report setting out its recommendation together with any supporting commentary.
- 3.19 Due to the tight timescales within which a decision Call In must operate, it is important that the Scrutiny Board's report be agreed at the meeting.
- 3.20 If the Scrutiny Board decides to pursue either of Options 2 or 3, it is proposed that there be a short adjournment during which the Chair, in conjunction with the Scrutiny Support Unit, should prepare a brief statement proposing the Scrutiny Board's draft recommendations and supporting commentary. Upon reconvening, the Scrutiny Board will be invited to amend/ agree this statement as appropriate (a separate item has been included in the agenda for this purpose).
- 3.21 This statement will then form the basis of the Scrutiny Board's report (together with factual information as to details of the Called In decision, lists of evidence/witnesses considered, Members involved in the Call In process etc).
- 3.22 The Scrutiny Board is advised that there is no provision within the Call In procedure for the submission of a Minority Report.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Prior to submitting a Call In, a nominated signatory must first contact the relevant officer or Executive Member to discuss their concerns and their reasons for wanting to call in the decision. Part of this discussion must include the Member ascertaining the financial implications of requesting a Call In. The details of this discussion should be referenced within the Call In Request Form.
- 4.1.2 The background papers to this particular decision will make reference to any internal or external consultation processes that have been undertaken in relation to the decision.

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

- 4.2.1 The background papers to this particular decision will make reference to any impact on equality areas, as defined in the Council's Equality and Diversity Scheme.



### **4.3 Council Policies and City Priorities**

4.3.1 The background papers to this particular decision will make reference to any Council Policies and City Priorities relevant to the decision.

### **4.4 Resources and Value for Money**

4.4.1 The background papers to this particular decision will make reference to any significant resource and financial implications linked to the decision.

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

4.5.1 This report does not contain any exempt or confidential information.

4.5.2 The background papers to this particular decision will make reference to any legal implications linked to the decision.

### **4.6 Risk Management**

4.6.1 The background papers to this particular decision will make reference to any risk management issues linked to the decision.

## **5 Conclusions**

5.1 In accordance with the Council's Constitution, an Executive Board decision has been Called In. This report advises the Scrutiny Board on the procedural aspects of Calling In the decision.

5.2 In particular, the Board is advised that the Call In is specific to the report considered by Executive Board at its meeting on 13 March 2013 and issues outside of this decision, including other related decisions, may not be considered as part of the Board's decision regarding the outcome of the Call In.

## **6 Recommendations**

6.1 The Scrutiny Board is asked to note the contents of this report and to adopt the procedure as detailed within it.

## **7 Background documents<sup>1</sup>**

7.1 none

---

<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

This page is intentionally left blank

## Report of the Head of Scrutiny and Member Development

### Report to Scrutiny Board (Sustainable Economy and Culture)

**Date: 8 April 2013**

**Subject: Kirkgate Market Strategy**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" 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: 10.4.3	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. This paper presents the background papers to a decision which has been Called In in accordance with the Council's Constitution
2. Papers are attached as follows:
  - Copy of the completed Call In request form and supporting information
  - Report of the Director of City Development presented to Executive Board at its meeting on 13 March 2013
  - Extract from the draft minutes of the Executive Board meeting held on 13 March 2013
3. Appropriate Members and officers have been invited to attend the meeting in order to explain the decision and respond to questions.

### Recommendations

4. The Scrutiny Board (Sustainable Economy and Culture) is asked to review this decision and to determine what further action it wishes to take.

### Background documents<sup>1</sup>

5. None used

<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

This page is intentionally left blank

CALL IN REQUEST – Option (a)

A Call In request may be made by:

Any five non-executive Members of council

Date of decision publication: 15/03/2013

Delegated decision ref: .....or

Executive Board Minute no: 194

Decision description: Executive Board decision on Kirkgate Market  
re-development + management model.

Discussion with Decision Maker:

Prior to submitting a Call In, a nominated signatory must first contact the relevant officer or Executive Member to discuss their concerns and their reasons for wanting to call in the decision. Part of this discussion must include the Member ascertaining the financial implications of requesting a Call In.

Please identify contact and provide detail.

- Director/author of delegated decision report.
- Executive Board Member

Detail of discussion (to include financial implications)

Discussion held on 21/03/2013 over the phone with Director of City Development Martin Farrington with Cllr John Procter.

.....

.....

.....

.....

.....

.....

.....

.....

Reasons for Call In:

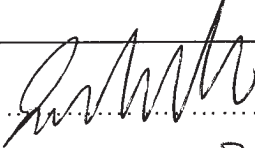
All requests for Call In must detail why, in the opinion of the signatories, the decision was not taken in accordance with the principles set out in Article 13 of the Council constitution (decision making) (principles of decision making) or where relevant issues do not appear to be taken into consideration. *Please tick the relevant box(es) and give an explanation.*

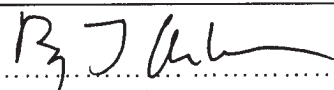
- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/>            | Proportionality (ie the action must be proportionate to the desired outcome)         |
| <input checked="" type="checkbox"/> | Due consultation and the taking of professional advice from officers                 |
| <input type="checkbox"/>            | Respect for human rights   |
| <input checked="" type="checkbox"/> | A presumption in favour of openness  |
| <input type="checkbox"/>            | Clarity of aims and desired outcomes   |
| <input checked="" type="checkbox"/> | An explanation of the options considered and details of the reasons for the decision |
| <input type="checkbox"/>            | Positive promotion of equal opportunities  |
| <input checked="" type="checkbox"/> | Natural justice  |

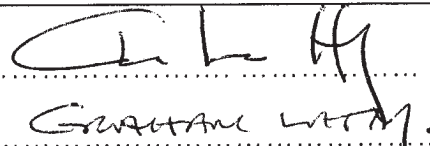
Explanation We feel this decision was not taken in accordance with Article 13 of the constitution for a variety of reasons: Were all traders properly consulted? Where are full details on potential compensation levels? Was the management options appraisal detailed enough? What are the implications of re-location on existing tenancy arrangements? Has the impact on small businesses been given sufficient consideration?

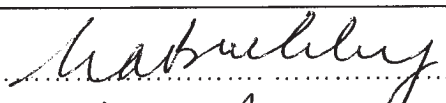
Leeds City Council Scrutiny Support Unit

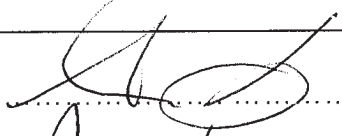
The following signatories request that the above decision be called in:

1) Signature.....	
Print name .....	John Proctor

2) Signature.....	
Print name.....	Barry Anderson

3) Signature.....	
Print name.....	Graham Wain

4) Signature.....	
Print name.....	NEIL BUCKLEY

5) Signature.....	
Print name.....	Alan Lamb

This form should be submitted to the Head of Scrutiny and Member Development (Scrutiny Support Unit, 1st Floor West, Civic Hall) by **5.00pm on the fifth working day after the decision publication date**. The office is open from 9.00am to 5.00pm.

(For further information on the Call In procedure please refer to the Scrutiny Support Unit intranet site, or contact the Unit on 39 51151).

**Leeds City Council Scrutiny Support Unit**

**For office use only:** (box A)

Received on behalf of the Head of Scrutiny and Member Development by:

*P.W. Smith*  
.....(signature)

Date: *22.3.13*..... Time: *10:15am* SSU ref: *2012-13-194/61*

**For office use only:** (box B)

Exemption status checked:

Call In authorised: Yes / No

Date checked:

Signed: *P.W. Smith*

Signatures checked:

Date: *22.3.13*

Receipts given:

Validity re article 13

Receipt details: .....



**Report of the Director of City Development**

**Report to Executive Board**

**Date: 13 March 2013**

**Subject: Kirkgate Market Strategy**

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

**Summary of main issues**

1. This report sets out recommendations on the outline strategy for the future development and management of Kirkgate Market.
2. There is now an imperative and opportunity to improve the Market. Action must be taken to tackle current problems with the condition of the building and to secure its future commercial success. There is a unique opportunity to increase customer numbers and spending in the market by attracting some of the 10 million to 15 million customers that will visit phase 1 of the adjacent Eastgate Quarters scheme when it opens in 2016. There is also a need to ensure the management structure for the Market is suitable for the future.
3. A feasibility study involving extensive technical work has been undertaken to consider the state of the building. There has been consultation on possible options for the redevelopment and management of the Market. The options have been assessed to consider their investment case, and against the overall aims and objectives for the future of Kirkgate Market. An important conclusion from the investment case and appraisal of options is that Kirkgate Market should not be reduced in size.
4. **Improving the Interior of the Market**
  - 4.1 The recommended strategy for improving the interior of the market is:

- A programme of maintenance and renewal to bring the building up to modern standards;
- Retention of the 1976 and 1981 halls and replacement of their roof covering to give it a further 15 years life;
- Introduction of a covered daily market in the existing 1976 hall;
- Creation of a new “heart” to provide a central events space, and new pedestrian routes linking the George St, New York Street and Vicar Lane entrances;
- Improved signage, screens and maps to help people find their way around;
- Creation of distinct retail zones to attract shoppers to all areas of market, in particular relocation of Butchers Row adjacent to Fish and Game Row; and
- Opening up the frontage of the Open Market to the new Eastgate Quarter development, improving loading and servicing arrangements and easing congestion on George St.

4.2 A capital budget in the region of £12.3m is recommended to implement the above proposals. Prudential borrowing would finance the proposals and the existing markets surplus will cover the cost of borrowing.

## 5. **Improvements to the George Street frontage**

5.1 Improvements to the George St frontage are recommended. The existing 1930s and 1980s shops and office buildings on George St would be redeveloped to create a more appealing frontage that will attract shoppers into the Market from Eastgate Quarter. New retail units at ground floor level, accessed from both sides, will improve access. Private rented apartments would be built on the upper floors.

5.2 The improvements to George St should be a separate project to be brought forward by a developer through a procurement exercise. It is possible that some subsidy from the Council will be required initially. This should be funded separately from the main Markets scheme. Further work is required to finalise the business case for this development.

### **Impact on Traders’ Businesses**

5.3 Sensitivity is needed in delivering such a large scale development in an existing retail centre. The Council will work closely with traders to minimise the impact on traders’ businesses and to ensure that the market remains open and trading throughout. Decant and relocation strategies have already been considered, and will be worked up in detail. Many businesses in the indoor and outdoor market may be affected and for some, ultimately this may mean that termination of their Agreement is the most appropriate option. Compensation will be paid where appropriate, or an Agreement for Lease negotiated for a new unit post-development. Each individual business will have at an early stage the opportunity to discuss in detail the options available to them.

## 6. Future Management Arrangements

- 6.1 An alternative management structure within Leeds City Council is recommended. There would be a new management board with trader representation and external expertise, and a ringfenced budget. Current Council arrangements for formal decisions would be unchanged. This approach would reduce risk during a complex redevelopment. A more arms length option could be considered subsequently.

### Recommendations

Executive Board is recommended to:

- a) Agree in principle to the proposed improvements to the interior of the Market (summarised at 4.1 to 4.2 above) in order that the project can be progressed and a detailed planning application submitted (completion of RIBA Work Stage D – Design Development), and to introduce the scheme into the capital programme;
- b) Agree in principle, to progress improvements to George St outlined in paragraphs 5.1 to 5.2 as a separate project (approval from Executive Board will be sought subsequently to introduce this as a separate scheme into the capital programme);
- c) Agree to continue to hypothecate future years markets surplus as detailed in this report to fund prudential borrowing, which in turn will fund the capital costs of the redevelopment and refurbishment proposals;
- d) Agree in principle to putting in place an alternative management structure within Leeds City Council (Executive Board's approval for the detailed proposals will be sought subsequently).
- e) Agree an injection of £1.615 million in the Capital Programme and the incurring of expenditure of £1.615 million for the first phase of backlog maintenance and upgrade works in the Market and, to progress scheme design proposals to RIBA Stage D for the proposed redevelopment and refurbishment of the Market and the developer procurement competition for the George Street frontage.

## **1 Purpose of this report**

- 1.1 The purpose of this report is to make recommendations on the redevelopment and refurbishment of Kirkgate Market and to recommend future management arrangements for Kirkgate Market both in the short and longer term.

## **2 Background Information and Approach**

- 2.2 Kirkgate Market is in a prime retail location in the heart of Leeds city centre. It comprises the indoor and outdoor market and the shops and offices on George St. It does not include the shops in Leeming House (Boots etc), the shops on New York Street, nor the NCP car park. It is a Grade 1 listed building.
- 2.3 The Council's Markets Service turns over between £3.5m and £4m a year. The overall annual operating surplus peaked in 2006/07 at £2.4m, but it is currently £1.4m
- 2.4 On 27 July 2011, the Executive Board approved the vision and objectives for Kirkgate Market and on 10 February 2012, the Executive Board approved recommendations to undertake a feasibility study to redevelop and refurbish the market and to undertake an appraisal on its future management arrangements.
- 2.5 A feasibility study has identified what improvement and development proposals could be taken forward to fulfil the Council's vision for the market to be the best in the UK. It has involved extensive analysis and review of existing technical data about the condition of the market site and buildings. Further comprehensive surveys and technical reports were also commissioned where required and the stage 1 and stage 2 engagement feedback, with input from the technical advisor and Design Review Panel.
- 2.6 A Kirkgate Market Strategy Project Board was set up to oversee the project and Public Private Partnerships Unit were commissioned to manage it. Norfolk Property Services (NPS) were commissioned to undertake the feasibility study and stakeholder engagement. A technical advisor (Arup) was also commissioned to provide check and challenge. The project has also been presented to the Council's Design Review Panel.
- 2.7 Stakeholder engagement (stage 1) took place prior to the start of the feasibility study and again after the initial findings of the feasibility study (stage 2). The purpose of the stage 1 engagement was to ensure that all the stakeholders with an interest in Kirkgate Market could put forward their views and ideas on how the market can be enhanced, improved and sustained into the future. The purpose of the stage 2 stakeholder engagement was to ensure that the progress made since the stage 1 engagement was fed back to stakeholders and to seek views on the initial findings of the feasibility study. The wide ranging responses were analysed and reports produced for each stage, which are available as background papers.
- 2.8 In parallel with the feasibility study, the investment case was considered for each of the main redevelopment options. This identified the cost and estimated return on investment for each option. The investment case has considered:

- the benefits and disadvantages of each option:
- the feedback from stakeholders;
- existing rents and charges;
- existing and historical footfall data;
- comparison with two other successful markets (Birmingham Bullring and Bury), capital costs, including initial capital, borrowing costs and lifecycle costs;
- the strategy for relocating traders within the Market, including compensation payments;
- the effect on revenue streams during redevelopment and post redevelopment;
- investment opportunities post redevelopment; and
- the economic impact on the wider Leeds economy.

2.9 An options appraisal on the potential future management arrangements for Kirkgate Market (indoor and open market) has been undertaken. The management options are:

- No change – Managed by Leeds City Council;
- Alternative Leeds City Council management model;
- Wholly Owned Management Company (arms length approach within Leeds City Council ownership);
- Civic Enterprise;
- Management Contract with private operator;
- Social Enterprise; and
- Limited Liability Partnership.

Each option has been appraised taking account of operational sustainability, financial sustainability and deliverability.

2.10 For further detailed background information and the approach taken for the engagements, feasibility study, investment case and management options appraisal refer to Appendix A - Detailed Background and Approach to the Project.

2.11 During the course of the Stage 2 engagement, advocacy group the Friends of Kirkgate Market asked the Council to consider their five Principles for Decision Making in establishing the format of future redevelopment and management arrangements for Kirkgate Market. These were:

1. The market is and should be a place for everyone. The council understands and commits to protecting the social contribution the market makes to the city and will ensure that it continues to provide for the many and diverse groups in Leeds, in particular those vulnerable groups who rely, socially and economically on the market.
2. There should be absolute transparency and openness in all issues relating to the market so that all stakeholders are able to understand the market finances as well as how and why decisions are made.
3. The expertise and experience of market traders should be integral to any management and decision making structures. Traders meaningful and lasting involvement in deciding the future of the market should be treated as a priority and should begin as soon as possible.
4. A percentage of the annual profit (£1m plus) generated from the Market is reinvested as part of a long term plan that ensures its sustainability. This will safeguard both the “social” function that the market now performs as well as its solidarity mechanism – the contribution that its profits make to other local public services.
5. The traditional atmosphere of the market should be protected. It should not become an over-organised, sterile space which would destroy the market’s unique character.

2.12 It has been helpful to have the Friends' thinking set out clearly in this manner and officers are confident that the recommendations brought forward in this report are in principle well aligned with the requested approach.

### **3 Main Issues**

#### **Redevelopment and Refurbishment Proposals**

- 3.1 Kirkgate Market is an important landmark in Leeds, not just in terms of the building but also in its importance to the people of Leeds and its international importance as the birthplace of Marks and Spencer. It also provides a unique opportunity for small businesses to start up and thrive in Leeds city centre.
- 3.2 Kirkgate Market faces the same challenges as other traditional markets across the UK; price competition from larger retailers, rising customer expectations and a changing customer base. Kirkgate Market needs substantial investment to deal with the extensive maintenance and capital investment requirements to meet customer expectations and expand its customer base.
- 3.3 Kirkgate Market also has distinct advantages, which there is potential to build upon. It has an excellent location with a large catchment, housed in an iconic historic building, an excellent fresh food offer in butchery, fish and game, a popular and commercially successful daily outdoor market and a loyal customer base.
- 3.4 Kirkgate Market also has some significant opportunities to re-establish itself as a shopping destination and broaden its appeal to a wider range of customers and visitors.
- 3.5 The adjacent Eastgate Quarter development will attract an estimated 10 million to 15 million shoppers to the area when it opens in 2016/17. This provides a unique opportunity to attract some of these shoppers into Kirkgate Market to increase

customer numbers and customer spending. The challenge is to increase the attractiveness of Kirkgate Market, and to enhance its retail offer to attract new customers, as well as retaining its existing customer base.

- 3.6 The commercial opportunities for Kirkgate Market include the potential for a covered daily market. This would grow its reputation as an excellent location for fine food businesses and high quality fresh food. It would also build on the existing fabric and haberdashery offer to create a hub for designers and makers. There is also scope to create more commercially attractive shop units on George St.
- 3.7 The Market provides an important route for people starting up and growing independent retail businesses. There is scope for closer relationships with universities, colleges and schools to help develop the retail and business skills of traders and potential traders.
- 3.8 Investment is required now to tackle current problems with the condition of the building, and to improve the market to make it more attractive to today's customers and traders, securing growth for the future. Doing nothing is not an option.

**Conclusions** (Refer to Appendix B – Kirkgate Market Redevelopment and Refurbishment Proposals)

- 3.9 A programme of maintenance and renewals (“Fixing the Basics”) should be implemented. This would be the minimum works needed to ensure the market buildings and stalls comply with health and safety legislation and are well maintained and efficient to run. The 1976 and 1981 Halls should be retained, and their roof coverings replaced. There is strong support from stakeholders for this option.
- 3.10 Improvements to the “look and feel” of the Market are recommended. These would create a clean, bright, welcoming space with easy to read signage and a more uniform appearance without losing the diversity and individuality of stalls. If not implemented, this would undermine the redevelopment and refurbishment proposals as a whole. It is strongly supported by the stage 2 engagement feedback (especially important to younger respondents).

The above works do not have any major trader impact as they can be undertaken mainly out of hours.

- 3.11 Reconfiguring the layout of the Market is recommended. There is a strong investment case, which is also supported by stakeholders for this option. This would include providing a range of stalls, in terms of size and type, that are attractive to customers. It will also include introduction of a daily covered market in the 1976 Hall. Birmingham Bullring and Bury Markets, both successful markets, have substantial and commercially successful covered daily licensed markets. This offer is missing completely from Kirkgate Market. A covered daily licensed market would be an ideal use for the existing 1976 Hall (below the Post Office entrance). The 1976 Hall would remain with the relevant stalls removed. Therefore most existing businesses in the 1976 Hall below the Post Office entrance will need to be relocated, or their lease terminated in return for compensation. The open market would remain.

- 3.12 The creation of a “heart” to provide a central events space and new pedestrian routes are recommended. These improvements would help draw people through the market (particularly to/from Eastgate Quarters). The new pedestrian routes would link the George St, New York Street and Vicar Lane entrances. These improvements would require relocation of a small number of businesses. There is a strong business case, and strong support from consultees for these measures.
- 3.13 Combining the existing Fish and Game and Butchers Row into one location is recommended to create a destination to attract customers into the market, particularly important due to the nearby Eastgate Quarter development. This would involve relocating businesses from Butchers Row adjacent to Fish and Game Row.
- 3.14 Improved signage, screens and maps are recommended to help people find their way around. If not implemented, the redevelopment and refurbishment proposals would be undermined. This option has very little trader impact as these works can be undertaken out of hours.
- 3.15 Improvements to some external public spaces are recommended. This work would include opening up the Open Market’s frontage to the new Eastgate Quarter development and improving loading and servicing arrangements.

### **Improving the George Street Frontage**

- 3.16 Improvements to the George St frontage are recommended. With the significant development across the road in the form of the Eastgate Quarter scheme, Kirkgate Market needs a ‘new front door’ on the George St frontage to welcome the many millions more shoppers who will be in this quarter of the city. The 1930s shops and the 1980’s shops / offices are outdated and out of proportion with the scale of the adjacent Grade 1 listed market buildings and investment here will help ensure that George St becomes a quality shopping street. There is strong support from consultees for this option.
- 3.17 There is currently good rental income from the George St shop units. However, income could be improved by redeveloping George St to create double-sided retail units which face onto George St and also into the market, with several floors of private rented accommodation above. This scheme is likely to be attractive to developers.

### **Budget**

- 3.18 A capital budget in the region of £12.3m is recommended to implement the above redevelopment and refurbishment proposals (excluding redevelopment of the George St frontage). Prudential borrowing would finance the proposals. The cost of this will be met from the £500k hypothecated annually from the markets surplus, apart from years 2 to 5 when additional markets surplus will be required to finance the borrowing. Post-development, income is projected to rise steadily.
- 3.19 £300k is incorporated into the fees for the project to support additional promotions and raise awareness. A promotional budget post-development will be determined at a later date.



- 3.20 The improvements to George St outlined above should be a separate project which is brought forward by a developer through a procurement exercise. It is possible that some subsidy from the Council will be required. This should be funded separately from the main Markets scheme. Further work is required to finalise the business case for this development
- 3.21 There is a risk that as this scheme relies on its attractiveness to developers, market conditions may change to make it unattractive leaving the Council at risk of delivering the development. However, the importance of improving the George St frontage, particularly in terms of the improved potential to attract new customers from Eastgate Quarter both reduces the probability of this scenario and increases the imperative to undertake it, therefore on balance the risk is considered worth taking.

### **Impact on Traders' Businesses**

- 3.22 Whilst the Council is mindful for the need for sensitivity in delivering such a large scale development in an existing retail centre, it is inevitable that market businesses will experience some impact. The Council will work closely with traders to minimise impacts and to ensure that the market remains open and trading throughout the works. Apart from the 1904 Hall (60 stalls) which will remain largely unaffected by the proposals, almost all other businesses in the indoor and outdoor market may be affected. For some businesses ultimately this may mean that termination of their Agreement is the most appropriate option. Compensation will be paid where applicable, or an Agreement for Lease negotiated for a new unit post-development. The Council is committed to a vibrant and viable market both during and post-redevelopment, and each individual business will have an early opportunity to discuss in detail the options available to them.
- 3.23 The proposed works will entail decants and temporary arrangements for the more major elements of work, which will inevitably lead to some disruption. Continuity of trading and keeping as much of the facility operational at all times during redevelopment is of utmost importance. Therefore phasing and decant strategies have already been carefully considered. Some of the proposed works involve minimal disruption to traders where much of the work can be done at night and on Sundays or by working around traders' units. Other works, such as the creation of a covered daily market in the 1976 Hall and improvements to George St will create the most disruption but wherever possible, traders will only move once, i.e. to their new permanent option. Measures will be put in place to ensure that customers can find their way to traders' businesses easily.
- 3.24 The next stage of the project will firm up detailed plans for phasing and decants, involving consultation with traders. The most urgent works should start as soon as possible. This is likely to include replacing the roof coverings to the 1976 and 1981 Halls.

### **Moving Forward**

- 3.25 If the Executive Board is minded to approve the recommendations contained in this report to progress the proposals to redevelop and refurbish the Market and to procure a developer to improve the George St frontage, it will be necessary to;

- (1) Appoint a multi-disciplinary design team and cost consultant to progress proposals for both scheme design and costs to the completion of RIBA Stage D, sufficient that upon confirmation of design freeze, a detailed planning application for the redevelopment/refurbishment proposals may be submitted to the Local Planning Authority.
- (2) Retain specialist advisors to assist the City Council in a procurement competition to appoint a developer to undertake improvements to the George St frontage.

### **Future Management Arrangements**

- 3.26 Leeds markets including Kirkgate Market are currently wholly owned by Leeds City Council through its Markets service. Leeds City Council owns the Market Charter rights. The Council's Markets service is currently responsible for managing and developing all the council's retail markets, street trading and licensing commercial markets in the Leeds district.
- 3.27 Leeds markets, including Kirkgate Market, will remain in Leeds City Council ownership and remain open and operated as markets. It is only the future management arrangements of Kirkgate Market (indoor and open market) that were appraised.
- 3.28 It is important that future management arrangements for Kirkgate Market are suitable. A range of different management options were appraised against a set of criteria.
- 3.29 The chosen option needs to have the stability to achieve the Council's vision for Kirkgate Market to be the best market in the UK. It also need to give traders more of a say in the management of the market and to ensure that the substantial investment required can be sustained.
- 3.30 The majority of consultees from the stage 2 engagement indicated they had a preference for the Council to continue managing the Market. However, there was also strong support from consultees for the market to be managed to give traders a say.
- 3.31 The "Alternative Leeds City Council Management Model" is the recommended option to deliver the required benefits. This would entail a Management Board being set up. The Board would include councillors, traders, local authority nominees and independent members with relevant experience in commercial retail. Trader members would be elected by their fellow traders. There could also be co-opted members as required. A ring-fenced operational budget would be required. Current Council delegation arrangements for formal decisions will remain unchanged (i.e. Executive Board and officer delegation) and the markets management team would continue to manage all of the Leeds markets and operate the full range of its Market Charter obligations. This option would improve the engagement of traders in the management of the market, whilst also providing stability during a complex redevelopment phase.

- 3.32 The scope for a more arms-length arrangement (such as a Wholly Owned Management Company) could be considered following the redevelopment. This option scored well in the options appraisal, but it also poses risks, complexities and disadvantages.

## **Conclusions**

- 3.33 The Alternative Leeds City Council Management Model is recommended. This option is supported strongly by consultees. The cost and risk of non-delivery of the management change is very low. This option is a practical solution which would improve trader engagement in the management of the Market, whilst providing stability during the redevelopment phase of Kirkgate market.

## **4 Corporate Considerations**

### **Consultation and Engagement**

- 4.1 A considerable amount of engagement was undertaken between May and December 2012 with a wide range of stakeholders.
- 4.2 The first Stage of Stakeholder engagement took place prior to the commencement of the feasibility study, between May and July 2012. This ensured that all the stakeholders with an interest in Kirkgate Market could put forward their views and ideas on how the market can be enhanced, improved and sustained into the future. Stakeholders included members of the general public, consultees with a vested interest in the market, and special interest groups. There was engagement with all political groups represented on the Council, Kirkgate Market staff, Traders, Citizens Panel (2 sessions), The Leeds City Centre Partnership Board, Leeds Retail Association, Hammersons, the General Public (4 sessions), Kirkgate Quarter Stakeholder Group, Civic Trust, Equality Hub, Friends of Leeds Kirkgate Market, and Youth Representatives.
- 4.3 Engagement activities included workshops with the above stakeholders, the Kirkgate Market Your Say on line survey and a paper survey for all stakeholders, including members of the public.
- 4.4 In stage 1 overall 3,177 people responded to the paper and on-line data collection questionnaires and 93 people attended the range of stakeholder engagement workshop sessions. In addition, letters, reports and other contributions were sent in by interested parties. There was a large range of responses which have been analysed and a stage 1 engagement report produced.
- 4.5 After the initial findings of the feasibility study stage 2 engagement was undertaken between October and December 2012 to ensure that the progress made since the stage 1 engagement was fed back to stakeholders and to seek feedback on the initial findings of the feasibility study.
- 4.6 Stage 2 engagement materials were produced and these were displayed at Kirkgate Market and all one stop shops and libraries. Feedback forms were also available. Engagement activities included engagement workshops with the same stakeholders as in stage 1, self-completion leaflet surveys available within Kirkgate

Market and at a variety of locations in and around Leeds (including all Leeds City Council libraries and one stop centres), an open response online survey, accessed via the Leeds City Council website and an online survey with members of the Leeds City Council resident's panel.

- 4.7 Overall 1,900 people responded at Stage 2 to the paper and on-line data collection feedback forms and over 170 people attended the range of stakeholder engagement workshop sessions. In addition many respondents expanded their views with additional, qualitative responses. The responses have been analysed and a stage 2 engagement report produced.
- 4.8 The engagement has been recorded in the Council's Talking Point database.
- 4.9 Discussion has also taken place regularly with the Leader and Chief Executive of the Council, Executive Board Member for Development and the Economy, the Lead Member for Development and the Economy/Markets Champion, and senior management.
- 4.10 Equality and Diversity / Cohesion and Integration
- 4.11 The engagement processes have been planned carefully so as to ensure they have been comprehensive with regard to equality and diversity / cohesion and integration.
- 4.12 An Equality, Diversity, Cohesion and Integration Screening has been completed for the project and is attached in Appendix C.

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

- 4.13 The redevelopment and refurbishment and the future management arrangements proposals for Kirkgate Market are crucial to supporting the Council's vision for Kirkgate Market.
- 4.14 Securing the future of Kirkgate Market is a key element of being The Best City:
- Best city... for business - making sure jobs are created and that local people can access those jobs, making sure new developments create skills and opportunities through apprenticeships. Supporting Leeds to be an attractive place to visit and invest in, with cultural attractions for local people and visitors nationally and internationally.
  - Best city... for communities - encourage community spirit and local activity, but recognise that it will take high-quality public services.

#### **Resources and value for money**

- 4.15 Kirkgate Market has an operating surplus of approximately £1.4m. The 2013/14 revenue budget provides for an additional £500k of the surplus to be utilised to meet the cost of the proposed development.

- 4.16 The investment case for the recommended improvements shows that post-development income is projected to rise steadily. A capital budget in the region of circa £12.3m is recommended to implement the improvement proposals and it is proposed that this will be financed by prudential borrowing, the cost of this will be met from the surplus.
- 4.17 During the development stage, years 2 to 6, additional market surplus will be required to finance the borrowing and the revenue implications of the development. The summary position is that the cost of borrowing, combined with the impact on income during development, offset by the predicted increase in income post-development, is that the Council faces a likely budget issue in years 2-6 of the development when costs exceed the £500k already ringfenced to service borrowing costs. This is cumulatively c. £1.5m over that period. However, an uplift in the economy combined with the completed Eastgate Quarter and John Lewis store adjacent to the Market should ensure that income increases enough to achieve a breakeven position by year 6.
- 4.18 Prudential borrowing will be at the most favourable rate available. Periods of borrowing reflect each individual element and its expected life, so that the term will vary between 10 and 30 years depending on the nature of works.
- 4.19 There is an imperative to progress with backlog maintenance works where these do not require further design nor planning consent. In order to undertake these backlog maintenance works an injection into the Capital Programme and Authority to Spend for a sum of £750,000 is required to progress the works in the financial year 2013/14. The backlog maintenance works will include:
- (1) Sprinkler upgrade including storage tank
  - (2) Drainage work
  - (3) Anti slip entrances
  - (4) Repairs to general extraction system (1875)
  - (5) Repairs to 1904 ventilation
  - (6) Electrical upgrades to stalls
  - (7) Replace parquet flooring 1904 balcony
  - (8) Relay 1904 paving flags on new sub base
  - (9) Address block paving irregularities at entrances
- 4.20 At this time, it is only possible to estimate the cost at £750,000 of progressing design proposals to RIBA Stage D to redevelop and refurbish the Market, and the retention of advisors at £115,000 to assist the Council in the selection of a developer for the George St frontage, as the fees payable will only be confirmed once fee proposals/tender submissions for the required works have been received, assessed and appointments confirmed.

- 4.21 Members of Executive Board should note funding totalling £1.5 million to progress the backlog maintenance works (£750,000), the scheme design proposals for the Market (£750,000) will need to be injected into the Capital Programme, to be funded by prudential borrowing, the cost of which will be met from the Markets surplus.
- 4.22 In addition, there is a need to commission work to progress the selection of a developer for the George St frontage in advance of concluding the business case. The cost of this work, estimated at £115,000, will be contained in the business case to be presented in due course.
- 4.23 At completion of the RIBA Stage D design works, a further report will be submitted to Executive Board detailing scheme proposals and costs.

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

- 4.24 Advice has been sought from Legal (Property Finance & Technology and Employment And Education) with regards issues that have arisen from the management options appraisal (procurement, TUPE etc.)
- 4.25 Redevelopment will require Notice to be served to tenants of Kirkgate Market under Section 25 of the Landlord & Tenant Act 1954, or termination of Contracted Out Leases or Licences as appropriate depending on the nature of individual tenant Agreements in order to secure vacant possession of areas for redevelopment.

### **Risk Management**

- 4.26 A detailed risk register has been produced and managed for the project to date, with no risks occurring.
- 4.27 Risks going forward will be dependent upon which redevelopment and refurbishment and future management proposals are approved. The existing risk register will be revised at this stage in line with Council's risk management framework.
- 4.28 The potential risk of low take-up of refurbished units is small given that there is displacement of traders from redevelopment of the 1976 Hall to a covered daily market.
- 4.29 There is a potential risk that the new opportunity of a covered daily market may not be fully taken up initially. This can be mitigated by promoting the opportunity widely in advance of completion, and a flexible layout will ensure the area does not appear to have a large area of unoccupied stalls. The financial modelling has taken account of this, anticipating less than optimum occupancy in the early years on a sliding scale.
- 4.30 The project will be managed in accordance with Delivering Successful Change (DSC).

## **5 Conclusions**

### **Improving the Interior of the Market**

5.1 The recommended strategy for improving the interior of the market is:

- A programme of maintenance and renewal to bring the building up to modern standards;
- Retention of the 1976 and 1981 Halls, and replacement of their roof covering to give it a further 15 years life;
- Introduction of a covered daily market in the existing 1976 Hall;
- Creation of a, new “heart” to provide a central events space, and new pedestrian routes linking George St, New York Street and Vicar Lane entrances;
- Improved signage, screens and maps to help people find their way around;
- Creation of distinct retail zones to attract shoppers to all areas of market, in particular relocation of Butchers Row adjacent to Fish and Game Row; and
- Opening up the frontage of the Open Market to the new Eastgate Quarter development, improving loading and servicing arrangements and easing congestion on George St.

A capital budget in the region of £12.3m is recommended to implement the above proposals. Prudential borrowing would finance the proposals and the existing markets surplus will cover the cost of borrowing.

### **Improvements to the George St frontage**

5.2 Improvements to the George St frontage are recommended. The existing 1930s and 1980s shops and office buildings on George St would be redeveloped to create a more appealing frontage that will attract shoppers into the Market from Eastgate Quarter. New retail units at ground floor level, accessed from both sides, will improve access. Private rented apartments would be built on the upper floors.

The improvements to George St should be a separate project to be brought forward by a developer through a procurement exercise. It is possible that some subsidy from the Council will be required initially. This should be funded separately from the main Markets scheme. Further work is required to finalise the business case for this development.

### **Impact on Traders' Businesses**

5.3 Sensitivity is needed in delivering such a large scale development in an existing retail centre. The Council will work closely with traders to minimise the impact on traders' businesses and to ensure that the market remains open and trading throughout. Decant and relocation strategies have already been considered, and will be worked up in detail. Many businesses in the indoor and outdoor market may be affected and for some, ultimately this may mean that termination of their

Agreement is the most appropriate option. Compensation will be paid where appropriate, or an Agreement for Lease negotiated for a new unit post-development. Each individual business will have at an early stage the opportunity to discuss in detail the options available to them.

- 5.4 A capital budget in the region of £12.3m is recommended to implement the above proposals (excluding improvements to George St which will be a separate project). Prudential borrowing would finance the proposals and the existing markets surplus will cover the cost of borrowing.
- 5.5 The improvements to George St outlined above should be a separate project which is brought forward by a developer through a procurement exercise. It is likely that some subsidy from the Council will initially be required. This should be funded separately from the main Markets scheme. Further work is required to finalise the business case for this development.

### **Future Management Arrangements**

- 5.6 An alternative management structure within Leeds City Council is recommended. There would be a new management board with trader representation and external expertise, and a ringfenced budget. Current Council arrangements for formal decisions would be unchanged. This approach would reduce risk during a complex redevelopment. A more arms-length option could be considered subsequently.
- 5.7 Following redevelopment, these arrangements could be reviewed to consider the scope for a more arms-length arrangement.

## **6 Recommendations**

- 6.1 Executive Board is recommended to:
  - a) Agree in principle to the proposed improvements to the interior of the Market (summarised at 5.1 above) in order that the project can be progressed and a detailed planning application submitted (completion of RIBA Work Stage D – Design Development), and to introduce the scheme into the capital programme;
  - b) Agree in principle, to progress improvements to George St outlined in paragraph 5.2 as a separate project (approval from Executive Board will be sought subsequently to introduce this as a separate scheme into the capital programme);
  - c) Agree to continue to hypothecate future years markets surplus as detailed in this report to fund prudential borrowing, which in turn will fund the capital costs of the redevelopment and refurbishment proposals;
  - d) Agree in principle to putting in place an alternative management structure within Leeds City Council (Executive Board's approval for the detailed proposals will be sought subsequently).
  - e) Agree an injection of £1.615 million into the Capital Programme and the incurring of expenditure of £1.615 million for the first phase of backlog



maintenance and upgrade works in the Market and, to progress scheme design proposals to RIBA Stage D for the proposed redevelopment and refurbishment of the Market and the developer procurement competition for the George Street frontage.

## **7 Background documents<sup>1</sup>**

- 7.1 Kirkgate Market Stage 2 Engagement Report, January 2012.
- 7.2 Kirkgate Market – NPS Feasibility Report (RIBA Stages A & B) for Leeds City Council (Final).
- 7.3 Kirkgate Market Investment Case v1.0 FINAL.
- 7.4 Kirkgate Market Management Options Appraisal v1.00FINAL.

## **List of Appendices**

**Appendix A** Kirkgate Market - Detailed Background & Approach

**Appendix B** Kirkgate Market Redevelopment and Refurbishment Proposals

**Appendix C** Equality impact assessment screening

---

<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

This page is intentionally left blank

## APPENDIX A – DETAILED BACKGROUND AND APPROACH TO THE PROJECT

---

### 1 Detailed Background Information

- 1.1 Kirkgate Market is in a prime retail location in the heart of the city centre. It is Grade 1 listed and is housed in five interconnected halls: the 1904 hall, the 1875 hall, a 1930s extension, and two ‘temporary’ hangar structures which form the rear of the indoor market. These were added in 1976 and 1981 following a fire at the market. The markets management team and six retail units are also housed in the 1980’s building on George Street. There is an open daily market at the rear of the building, which is immediately adjacent to the bus station.
- 1.2 Kirkgate Market is the oldest and largest retail destination in Leeds. It has survived and prospered through World Wars, the Depression and even a major fire in 1975. It is a central feature in the retail landscape in the city, and its importance goes beyond the historic to include a significant impact on the economic life of the city.
- 1.3 Kirkgate Market covers both the indoor and outdoor market, and the shops on George Street. It does not include the shops on Vicar Lane (Boots etc.), or the shops on New York Street, nor the NCP car park.
- 1.4 Kirkgate Market provides:
- Over 400 businesses offering a range of affordable goods and services to a wide range of customers;
  - Direct employment for an estimated 2,000 people;
  - Opportunities for new entrepreneurs to enter retail and catering;
  - A tourist destination.
- 1.5 The Markets service turns over between £3.5m and £4m pa. The overall operating surplus including overheads and capital charges peaked in 2006/07 at £2.4m but is currently £1.5m.
- 1.6 On 27 July 2011 the Executive Board approved the vision and objectives for Kirkgate Market:
- The vision for the market is to be the best market in the UK:
- Highly successful, profitable and sustainable;
  - A centre for excellence for independent retailers and entrepreneurs;
  - A top destination for residents and tourists.
- There are a number of clear objectives to help realise this Vision:
- Increase footfall;

- Increase new customers to the market;
- Increase frequency and duration of customers' visits;
- Increase income through new lets and business expansions;
- Increase the range of and value for money of goods and services;
- Reduce costs;
- Reduce number of empty units in the indoor market hall;
- Reduce tenant turnover.

To address the issues Kirkgate Market faces and realise its Vision requires:

- A shorter chain of command to ensure faster decision-making and implementation;
- Significantly increased investment in the buildings and stalls, whilst keeping and enhancing the distinct character of the market;
- Significantly increased marketing and promotion so all Leeds residents and visitors to Leeds know where it is and what its offer is;
- An improved overall offer on the market in terms of the range and quality of goods and services sold;
- An improved overall customer experience by ensuring the market is the optimum size, improving the 'legibility' of the market through signage, wayfinding and improved layout;
- Better opening hours; improving customer service and customer satisfaction;
- Better promotion of available units, flexible terms and better business support.

1.7 On 10 February 2012 the Executive Board approved the following recommendations:

- a) Note the recommendations from market specialists, Quarterbridge Project Management Ltd;
- b) Reaffirm its commitment to ensure a sustainable future for Kirkgate Market;
- c) Agree in principle, to reduce the market by 25% and to proceed with a full feasibility study for a modern extension to replace the 1976, 1981 and George Street shops halls and for the refurbishment of 1904 and 1875 halls;
- d) Agree to retain the open market and relocate it following the redevelopment of the indoor market so that it remains adjacent to the indoor market;
- e) Agree to hypothecate a proportion of the markets surplus in 2012/13 as a contribution to the potential revenue and capital costs of redevelopment and refurbishment and to inject a scheme into the capital programme to enable a full feasibility study to be undertaken;
- f) Request officers to report back on the outcome of the feasibility study to advise Executive Board on the scope, scale and financial implications of the redevelopment and refurbishment proposals;

- g) To instruct officers to explore the advantages and disadvantages of a commercial partnership against the option of the market remaining in the Council's sole ownership and management;
- h) To instruct officers to consider further the feasibility of implementing other matters recommended by Quarterbridge.

- 1.8 Subsequently to the 10 February 2012 Executive Board, the Council agreed to a request from the National Market Traders Federation (NMTF) to consider a social enterprise run by the traders as an alternative form of management of the market. Three meetings have now taken place with the NMTF representatives to set out the terms of any transfer and identify the structure, social purpose, investment and membership of the social enterprise. Other management options have also been discussed.
- 1.9 Norfolk Property Services (NPS) were commissioned in April 2012 to undertake the feasibility study and stakeholder engagement in consultation with officers. In parallel with the feasibility study a Project Team of officers have been developing the investment case and have been exploring the management options available for Kirkgate Market.
- 1.10 A technical advisor (ARUP) was also commissioned and the project has been presented to the Council's Design Review Panel, chaired by John Thorp, to provide check and challenge to the project.
- 1.11 A Kirkgate Market Strategy Project Board has been set up and meets monthly. The remit of the Board is to oversee the work of NPS and officers of the Project Team.

## **2 Approach - Engagement**

### **2.1 Stage 1 Engagement**

- 2.1.1 The purpose of the initial stakeholder engagement (stage 1) held between May and July 2012 was to ensure that all the stakeholder groups and individuals with an interest in Kirkgate Market were provided with a forum for contributing their views and ideas on how the market can be enhanced, improved and sustained into the future.
- 2.1.2 The stakeholders identified fell into three broad categories; members of the general public, consultees with a vested interest in the market and special interest groups, and included:
- Markets Management Team;
  - Markets Staff;
  - Market Tenants / Traders;
  - Councillors;
  - Equality Hubs;
  - Members of the public;
  - Citizens Panel;

- Young People;
- Local Interest Groups – Friends of Leeds Kirkgate Market and Civic Trust;
- Leeds City Council Urban Design and Planning;
- Local Business and Development Forums.

2.1.3 Engagement activities included engagement workshops with the above stakeholders, the Kirkgate Market Your Say on line survey and a paper survey for all stakeholders, including members of the public.

2.1.4 Overall 3,177 people responded to the paper and on-line data collection questionnaires and 93 people attended the range of stakeholder engagement workshop sessions. In addition, letters, reports and other contributions were sent in by interested parties. There was a large range of responses and the full data set has been analysed and a stage 1 engagement report produced.

## 2.2 Stage 2 Engagement

2.2.1 The purpose of the stage 2 stakeholder engagement held between October and December 2012 was to ensure that the progress made since the stage 1 engagement was fed back to stakeholders and to seek feedback on the stage 1 feasibility study and the 12 Elements (refer to Section 5 - Main Issues 1 - Redevelopment and Refurbishment Proposals below). In the short term, the Council cannot afford to fund all of the 12 Elements 'in one go' therefore feedback was also sought on which Elements are the most important to tackle first.

2.2.1 Stage 2 engagement materials were produced and these were displayed at Kirkgate Market and all one stop shops and libraries. Feedback forms were also available.

2.2.2 The stage 2 engagement has relied on a variety of engagement strands:

- Engagement workshops with stakeholders (Labour, Conservative, Liberal Democrat, Independent and Green Groups, Kirkgate Market staff, Traders, Citizens Panel (2 sessions), City Centre Partnership Board, Hammersons, Public (4 sessions), Kirkgate Quarter Stakeholder Group, Civic Trust, Equality Hub, Friends of Leeds Kirkgate Market, Youth Representatives);
- Self-completion leaflet surveys available within Kirkgate Market and at a variety of locations in and around Leeds (including all Leeds City Council libraries and one stop centres);
- An open response online survey, accessed via the Leeds City Council website;
- An online survey with members of the Leeds City Council resident's panel.

2.2.3 Overall 1,900 people responded to the paper and on-line data collection feedback forms and over 170 people attended the range of stakeholder engagement workshop sessions. In addition to quantitative data received, many respondents expanded their views with additional, qualitative responses, either written within the survey, or sent directly to Leeds City Council or NPS property consultants. The full data set has been analysed and a stage 2 engagement report produced.

### **3 Approach - Redevelopment and Refurbishment Proposals**

#### **3.1 Challenges Facing Kirkgate Market**

3.1.1 The Council has to consider the future of the market within the context of the recession, the changing UK retail sector and public spending cuts. The retail landscape has significantly changed in the last 10 years with the loss of household names and the emergence of new, often international, retailers. In addition the sale of non-food goods by supermarkets has soared and is likely to increase further.

3.1.2 The challenges facing Kirkgate Market are being faced by traditional markets across the UK and include price competition from larger retailers, rising customer expectations, a shrinking customer base and the need for substantial investment to meet those expectations and expand the customer base:

- The retail landscape has significantly changed in the last 10 years with the loss of HMV, Woolworths, Safeway, Dixons, Borders and Ainsley's and the emergence of new, often international, retailers. Many of the goods traditionally sold at markets are now available at discount prices at supermarkets and stores like Primark and TK Maxx. The share of non-food spending achieved by supermarkets has more than doubled over the last decade and is expected to continue to rise adding further pressure on other retailers. In the case of supermarkets and retail parks, this comes with the added convenience of free parking, 'pleasant' surroundings and card transaction availability.
- A further pressure on 'value' shopping is the rise of internet shopping, from eBay to Amazon; indeed many of the retailers who failed on the high street have been re-launched as online-only retailers, e.g. Zavvi and Dixons. Online retailers provide relatively low cost products with an easy returns facility.
- Independents increasingly face difficulties with obtaining stock at prices that can provide them with a realistic profit margin. The wholesale industry is shrinking as independents go out of business and chains by-pass them to deal direct with producers and importers.
- Customer expectations have risen over recent years. Most consumers today want to be able to use debit/credit cards, to return goods without quibble and to try goods on before buying, as they can do on the High Street. Increasingly they also expect to be able to shop late into the evening, and on Sundays. Not all traders on Kirkgate Market are able to meet these enhanced expectations.

3.1.3 Both price competition and changing customer expectations is resulting in a shrinking customer base as Kirkgate Market's traditional customers are diminishing and are not being replaced quickly enough with new customers.

3.1.4 It is inevitable, therefore, that more marginal independent traders and retailers are not able to survive in the current economic climate – indeed some were struggling during the retail boom. Whilst there has been a gradual reduction in the number of traditional retail market traders nationally, there has been a steady growth in the success of specialist niche markets. In the public engagement on Kirkgate Market undertaken in January 2011, around a fifth of respondents spontaneously mentioned that they want to see an improvement in quality and range of products.

Both food and non-food niche products were also attractive to many. So Kirkgate Market needs to keep its excellent butchery, fish and game offer whilst increasing the proportion of high quality, diverse and niche food retail, as well as locally hand-made goods, specialist non-food lines and services such as hair & beauty, tailoring and wellbeing.

3.1.5 In addition to the challenges of the recession and increased competition, the Kirkgate Market buildings have not kept pace with customer expectations. The market now has extensive maintenance and capital investment requirements which must be met in order to reverse the decline in occupancy and protect rental income. Water ingress through the roofs of the 1976 and 1091 halls, for example, causes particular problems for traders and customers.

3.1.6 In order to secure a viable future for Kirkgate Market, investment is required now. Therefore, doing nothing is not an option.

### 3.2 Advantages and Opportunities Available to Kirkgate Market

3.2.1 However, Kirkgate market has distinct advantages, which there is potential to build upon:

- An excellent location close to the retail heart of the city centre and adjacent to the bus station and a multi-storey car park;
- An excellent fresh food offer in butchery, fish and game that is largely unrivalled by other city centre food retailers;
- A strong daily outdoor market with a very wide range of goods and services, particularly important to lower income groups;
- A loyal customer following;
- A large catchment area;
- An iconic historic building providing a unique visitor experience.

3.2.2 Furthermore, there are significant opportunities for Kirkgate Market to harness reinvigorated interest in this area of the City and re-establish itself as a shopping destination and broaden its appeal to a wider demographic:

- The Eastgate Quarters shopping and leisure development has been given outline planning permission and it is anticipated that Phase 1 of the development will be completed by the end of 2016 / early 2017. This will bring a potential 10 to 15 million customers per year to this area of the city centre which currently does not have strong visitor appeal.
- Looking at other successful markets in the UK (Bury, Bullring, Borough) they all have a substantial covered daily market operation, for which they are able to charge a premium over and above the outdoor toll and which adds variety and vibrancy to the offer each day. This offer is missing completely from Kirkgate Market, although it is something that is often mentioned by existing traders and has appeared in various survey responses. A covered daily market, whilst attracting some existing outdoor traders inside, would be attractive to different traders and products currently not strongly represented indoors or outside. A covered daily market would also allow more specialist events e.g. antique fairs, to be held in an all weather venue.



- There is a pent up demand for expansion of existing businesses; although there are vacant units these are not of a shape or size that businesses could 'trade up' to, being either too small for effective expansion, or requiring expensive building alterations. A few large vacant units in the prestigious 1904 hall may, on the other hand, be more than a trader wishes to take on as their first expansion – although it should be noted that these units generally let well to more established incoming businesses. New, bigger and more flexibly designed units throughout the halls would mean businesses could trade much more effectively and display more.
- One of Kirkgate Market's real successes recently has been its profile with the 'foodie' community. Even 12 months ago, it would have been ambitious to advertise Kirkgate market as an excellent location for a fine food business, but this is no longer the case. As well as the market's longstanding reputation for quality meat, fish and game, it now hosts a range of excellent eateries including a crepe hut, an Italian patisserie, Moorish Arabic food, Caribbean chicken & tapas, a Chinese rotisserie, a Turkish bakery, a Turkish café where all dishes are made in front of the customer, a Thai food outlet making fresh Thai cuisine to order, a juice bar, and of course Graveleys renowned fish and chips. There is still room for more unique eateries, which, with careful planning of the space to allow discrete areas of the market to be closed off, could be the momentum needed to kick-start evening and Sunday trading. This could also create a vibrant and completely different feel to the market and could create a destination within the city by becoming known for 'indie' food. Given the exceptional diversity of Leeds, it is very likely that this could quickly come to represent a microcosm of this with small, unique and independent eateries trading off each other offering cuisines from around the world. It would be natural for these businesses to buy their produce from other market traders thus creating a healthy interdependency which will sustain the wider offer within the market.
- Of course, a market is much more than just its food, and some exciting work is currently being undertaken with young designers and makers, linked to colleges and other projects, to provide opportunities for them to learn, exhibit and retail in fashion, linked to other retail skills projects in the City, and working alongside the education providers, the Market could become the hub from which many people who previously did not have the skills or confidence to turn their passion for fashion into a career will take the first steps on that road and with help, perhaps end up retailing in the market. Kirkgate Market has great fabric and haberdashery including fabrics from all over the world on both the indoor and outdoor markets and is close to other established independent retailing hubs such as Birds yard vintage fashion, and the prestigious Corn Exchange so there is good synergy in developing this strength for the market.
- Work is currently being undertaken with Leeds Met University's retail business module to set them a project each year in which they have to plan how to trade a business from an identified unit in the market, from concept through supply to merchandising, branding and profit and loss. Currently they come up with some brilliant and unique concepts but do not go as far as having a stall, which would be difficult and costly to do just as a short project. However, it is an aspiration to have an area of the market where the universities, colleges and maybe even schools have the on-going use of

purpose-built pop up units which they can programme to gain actual experience retailing, exhibiting, fundraising or simply promoting what they do.

- Feedback from the stage 1 engagement on the future of Kirkgate market indicated that young people would like a space in the market they can call their own, perhaps linked to a drop in, with Wi-Fi and perhaps where they can charge their phone or laptop at the same time. This could help meet the market's social objectives around inclusivity and opportunities for young people, whilst meeting its commercial objective of widening the age profile of our shoppers by making the market a place where young people feel welcome and at ease.

3.2.3 Kirkgate Market is at a critical point and the decisions the Council takes will be crucial in securing its future, not only for our generation but for generations to come. There clearly exists a long term opportunity but short term challenges have to be carefully considered. Clarity and consensus is required on how the market can maximise opportunities and minimise the challenges surrounding its offer. This is not about marginal or incremental change but a more fundamental shift in the Council's approach.

### 3.3 Stage 1 Feasibility Study by NPS

3.3.1 The purpose of stage 1 of the feasibility study, which took place between July and October 2012, was to determine what improvement and development proposals could be taken forward to fulfil the Council's vision for the market and to provide a basis for the stage 2 stakeholder engagement which followed between October and December 2012.

3.3.2 The approach of the NPS design team has involved extensive analysis and review of existing technical data about the condition, suitability and sufficiency of the market site and buildings. In addition, further comprehensive surveys and technical reports have been commissioned to underpin their appraisal of the market infrastructure and allow the design team to get an in depth understanding of the 'DNA' of the market. In addition, the extensive feedback received from the stage 1 engagement and the key issues developed from the project board, project team, technical advisor and Design Review Panel were key to the development of the feasibility study.

3.3.3 The key findings of the stage 1 engagement report were as follows (not in an order of priority):

- Improve cleanliness of the market space; bad smells, rubbish in the aisles and dirty toilets;
- Brighten the space. Make the entrances more appealing by using brighter colours and creating a more open space;
- Improve lighting especially using natural light. Highlight the Victorian architecture of the original building;
- Improve the layout of stalls to make it easier to navigate the market, help with cleaning etc.;
- Toilets need of a complete overhaul, with better baby changing facilities;

- Air conditioning and ventilation – the market is too hot in summer and too cold in winter;
- Better signposting with clear maps at the various entrances to the market. Link to layout to improve navigation of the space. Improve signposts to toilet facilities;
- Creating open, attractive spaces within the market where individuals can sit, with a dedicated space for events and music, would help attract people and encourage them to stay;
- Views were polarised on whether a re-size was necessary. Should any reduction in the market size be made, the Council will need to clearly demonstrate how any extra space will be used to benefit the market. One such benefit could be the provision of an open space for events and activities;
- If the market size is not reduced, empty stalls must be filled;
- The newer section of the market created in the 1970s and 1980s detracts from, the appearance of the market. For less frequent visitors the buildings heritage, history and appearance are seen as a key strength;
- Provide more car parking spaces with improved traffic management and improved surfacing. (This also relates to the George Street car park which will become part of the Eastgate Quarters site from mid 2014).

3.3.4 The feedback from the Technical advisor and LCC Design Review Panel, which was supported by the Project Board, was as follows:

- Ensure that the market maintains its role as a key component of the economic and social structure of the city centre and is capable of responding to the constantly changing retail environment. The future of the market is not just about economic activity, but it is also about maintaining and creating an environment where social interaction can take place and the continuation and evolution of a lively social and community orientated city centre landmark.
- Linkages with the Eastgate Quarters development, in particular the George Street interface.
- The creation of a North South axis (an artery) through the market complex to improve permeability and reinforce existing linkages to the rest of the city.
- The benefit of creating zoned spaces within the overall footprint of the market which could enable a more coherent trader offer of fresh food, 'food to go' or eat within, world food and provisions, large specialist retailers and regional independent tenants
- The creation of a new 'heart' - a new flexible central event space that will allow dual functionality as a trading area and an event space, e.g. cooking demonstrations, fashion shows, seasonal themed events or regional ballet, theatrical, artistic or even orchestral groups.
- Encouragement and harnessing of a younger customer base to ensure the long term sustainability of the market.

3.3.5 The stage 1 feasibility study has identified the key issues with the current market buildings site and infrastructure that need to be improved, replaced, refurbished or

re-built in order to meet the Council's vision for Kirkgate Market. 12 Elements that could resolve these issues and contribute towards the vision were developed.

3.3.6 The 12 Elements developed, which provide the strategic building blocks upon which capital funding for improvements to the market can be taken forward by the Council are:

- Element 1 - Fixing the Basics (includes recovering of the 1976 and 1981 Hall roofs);
- Element 2 - Replacing the Roof of the 1976 and 1981 Halls;
- Element 3 - Heating and Cooling;
- Element 4 - Finding Your Way Around;
- Element 5 - Creating Zones;
- Element 6 - Creating a Heart;
- Element 7 - Creating a New Route Through the Market;
- Element 8 – Layout;
- Element 9 - Improving the Look and Feel of the Market;
- Element 10 - Reducing the Size;
- Element 11 - Improving George Street;
- Element 12 - Improving Public External Spaces.

#### 3.4 Stage 2 Feasibility Study by NPS

3.4.1 The key conclusions of the stage 2 engagement report were as follows (not in an order of priority):

- The biggest priorities for improvement are:
  - Fixing the basics;
  - Improving the look and feel of the market;
  - Replacing the roofs of the 1981 and 1976 halls
- In focusing on the first two elements respondents generally appeared to be referring to the need to improve the cleanliness, appearance and signage of the market, with a need to increase the diversity of the stalls and remove the number of empty stalls.
- It is worth bearing in mind that the two elements rated as most important were both fairly general, and this may in part explain their relatively high importance rating. One individual's perception of what constitutes 'fixing the basics' may not necessarily involve the same changes as those envisioned by another individual.
- Whilst there were a number of options which were seen as relatively less important, such as creating zones, the heating and cooling system and creating a new route through the market, it was only the option of reducing the size where the number of individuals rating the importance as 'low'

outweighed those providing a 'high' or 'medium' rating. Most of the elements were of at least 'medium' importance to the majority of respondents.

- There were relatively few demographic differences in response. Most groups of respondents were similarly orientated in terms of rating the importance of developing the various market elements.

- 3.4.1 The purpose of the stage 2 feasibility study was to take account of the stage 2 engagement feedback and the key issues developed from the project board, project team, technical advisor and Design Review Panel and then to develop the stage 1 feasibility study. The result is a Feasibility Study report that has informed the recommendations to Executive Board on the scope, scale and financial implications of the redevelopment and refurbishment proposals.
- 3.4.2 The feasibility study report recognises that the Council cannot solve at once all of the challenges associated with the buildings and infrastructure that comprise Kirkgate Market. Therefore, the proposals of the report offer short and medium term improvement proposals that will form robust foundation blocks upon which further longer term investment can be made, as and when funding becomes available, which support the Council's vision for the market.
- 3.4.3 The Kirkgate Market Feasibility Study report is structured as follows:
- Section 1 – Executive Summary
  - Section 2 - The project and Constraints – Provides details on the Project and the requirements set out in the Leeds City Council client brief.
  - Section 3 - Stakeholder Engagement – Outlines the Stakeholder Engagement process undertaken to date along with the outcome of this detailed activity.
  - Section 4 - Market Analysis – Outlines the Market Development Concepts and strategies that underpin and inform the feasibility study.
  - Section 5 - Elements & Themes – Includes an overview of the overall Elements and Themes along with the Theme cost estimates.
  - Section 6 - Next Steps – Provides the recommendations and further considerations following completion of the Feasibility Study.
  - Appendices - Documentation from baseline information and detailed technical infrastructure survey reports, as well as, the stakeholder engagement and feedback responses and analysis that has informed the study.
- 3.4.4 In order to achieve the Council's vision for the long term sustainability of the market, significant intervention will be needed which will entail decants and temporary arrangements for the more major elements of work. Improvements and enhancements to the market will inevitably lead to disruption and a proposal which attempts to limit disruption completely will only achieve short term gain for traders, the Council and City as a whole. However, continuity of trading / keeping as much of the facility operational at all times during redevelopment is of utmost importance and therefore phasing and decant strategies have already been carefully considered whilst developing the feasibility study report.
- 3.4.5 Some of the Elements, e.g. Fixing the Basics, Improving the Look and Feel, Finding your Way Around involve minimal disruption to traders and much of the work can be done at night and on Sundays or by working around traders' units.

Other Elements, such as Layout which requires changes to a large section of the 1976 Hall; and Improving George St which also links to Creating Zones and Improving Public External Spaces, will inevitably create the most disruption but wherever possible, traders will only move location once, i.e. to their new permanent option. Every consideration will be given to ensuring that customers can find their way to traders' businesses easily.

### 3.5 Investment Case

3.5.1 As previously mentioned, it is unlikely that the Council will be able to afford all of the 12 Elements 'in one go' and therefore it is important to determine what Elements are the most important to tackle first. The stage 2 feedback has partly informed this, but each of the 12 Elements needs a robust investment case which is financially sustainable so the Council can choose the right level of investment to secure Kirkgate Market's future for generations to come. This approach will clarify what the improvement and development priorities are, how they could be brought together into a capital investment scheme or number of schemes and how much funding and investment will be required.

3.5.2 Officers have developed the investment case for each of the 12 Elements by considering the following:

- The benefits and disadvantages;
- The stage 2 engagement feedback;
- Existing Kirkgate Market rents and charges
- Existing and historical Kirkgate Market footfall data;
- Comparison with two other successful markets (Birmingham Bullring and Bury), including their make-up, rents, charges and footfall data.
- Capital costs, including initial capital, borrowing costs and lifecycle costs;
- The decant strategies required;
- Compensation payments;
- The effect on revenue streams during redevelopment;
- The effect on revenue streams post redevelopment;
- Investment opportunities post redevelopment;
- The economic impact on the wider Leeds economy.

### 3.6 Conclusions

3.6.1 Refer to the Investment Case report supplied as a Background Paper to the Executive Board Report.

## **4 Main Issues 2 - Future Management Arrangements**

4.1 Leeds markets are currently wholly owned by Leeds City Council through its Markets service. Leeds City Council owns the Market Charter rights. The Council's Markets service is currently responsible for managing and developing all the council's retail markets, street trading and licensing commercial markets in the Leeds district.

- 4.2 Leeds markets, including Kirkgate Market, will remain in Leeds City Council ownership and remain open and operated as markets. It is only the future management arrangements of Kirkgate Market (indoor and open market) that are being appraised.
- 4.3 The management options available are listed below in order of “more Council control, less complexity, low risk” to “less Council control, more complexity, higher risk”:
- Option 1 – No change
    - Continues to be managed by the Council’s Markets service.
  - Option 2 – Alternative Leeds City Council management model
    - Management Board put in place. The Board would include councillors, elected trader representatives, local authority nominees and independent members with relevant experience in commercial retail;
    - Ring-fenced operational budget;
    - The Board will be properly constituted, will operate in an advisory capacity, and will seek to influence decision making. The current delegation arrangements for formal decisions under the Council’s existing Governance arrangements will remain unchanged.
  - Option 3 – Wholly Owned Management Company
    - A Wholly Owned Management Company is a company limited by guarantee set up and wholly owned by a local authority to manage an element of the services it provides, in this case the market. There are no dividends or other distributions of “profit”;
    - The Wholly Owned Management Company would be managed by a Board of Directors, usually of 12 to 15 people. The Board would include councillors, elected trader representatives, local authority nominees and independent members with relevant experience in commercial retail.
  - Option 4 - Civic Enterprise
    - As Option 3 above (Company Limited by Guarantee) but with traders having up to 25% of a stake in the company. Each trader could secure a stake in the new company at the commencement of their tenancy and once the tenancy ceases, the stake reverts back to the Council.
  - Option 5 - Management Contract
    - The Council would undertake a procurement exercise for a company to manage Kirkgate Market. The term of the contract would be for a set period, e.g. 10 years, or potentially longer depending on the level of private investment provided.
    - The third party would manage the market and therefore determine the management structure, be responsible for marketing and promotion using relevant experience and retail skills.
    - An annual management fee would be paid to the management company (determined by the procurement exercise), with performance related payments / penalties on an annual basis.

- Option 6 – Social Enterprise
  - There is no legal definition of a social enterprise, nor is there a single legal form through which social enterprises are registered. The most widely used definition of social enterprise is provided by the DTI Social Enterprise strategy (2002). Social enterprises:
    - § Trade - their main income source is goods and services, openly traded.
    - § Have a social purpose - to do some good for society, or for the environment - and are not simply vehicles to produce an income stream.
    - § Are socially-owned - not a sole trader, not a private limited company, not owned by the public sector, profits returned to the community.
  - The Council would undertake a procurement exercise for a social enterprise to manage Kirkgate Market and is therefore similar to Option 5 – Management Contract.
  - An annual management fee would be paid to the management company (determined by the procurement exercise), with performance related payments / penalties on an annual basis.
- Option 7 - Limited Liability Partnership
  - A limited liability partnership (LLP) is similar to a normal partnership, but it also offers reduced personal responsibility for business debts. The LLP itself - not the individual members - is responsible for any debts that it runs up, unless individual members have personally guaranteed a loan to the business.
  - The Council would undertake a procurement exercise for a partner, who would manage Kirkgate Market, but differs from Options 5 and 6 in that:
    - § The members of an LLP share in both the responsibilities of running the business and the profits that it makes. Exactly how their rights and responsibilities are defined and divided depends on the LLP's partnership agreement or 'deed of partnership'. Designated members have some extra responsibilities on top of those of ordinary members, in that they have to ensure that the LLP meets its legal obligations and are legally accountable if they fail to carry out their duties properly.
    - § Each partner contributes capital to the business.
    - § Profits or losses are shared between the partners.

4.4 As set out in the Management Options Appraisal report, officers have appraised the management options by assessing each of the options against a set of evaluation criteria agreed by the Project Board. In addition, the options have been further assessed by discussing the advantages and disadvantages of each option, by considering the stage 2 engagement feedback and through a small number of discussions with representatives of the National Market Traders Federation (NMTF), who have been keen to explore the potential for a social enterprise. Officers, traders and Members with a direct interest in the future of Kirkgate Market have not been involved in the appraisal.



4.5 The agreed evaluation criteria were:

- Operational Sustainability;
- Financial Sustainability;
- Deliverability.

4.6 The scores (out of 100) for each option against the evaluation criteria were as follows:

- Option 1 – No change – Managed by Leeds City Council - 59.
- Option 2 – Alternative Leeds City Council management model - 63.
- Option 3 - Wholly Owned Management Company - 78.
- Option 4 - Civic Enterprise - 74.
- Option 5 - Management Contract - 59.
- Option 6 – Social Enterprise - 56.
- Option 7 - Limited Liability Partnership - 50.

4.7 The key findings of the stage 1 engagement report were as follows (not in an order of priority):

- Offer reduced rents or a scheme to induce new sustainable businesses into the market
- Improve variety, especially of restaurants and eateries; DIY stalls also mentioned. Give target businesses preferential rates.
- Management should exert improved quality control over the sale of goods in the market.
- Ensure lower income groups are not priced out post-redevelopment and that traditional market stalls are not reduced or excluded.
- Better promotions, to challenge the negative perceptions of the market.
- Car parking and accessibility are crucial if the market is to attract regular users from outside the city centre, particularly those without free access to public transport. Parking charges and parking availability prevent many users from accessing the market. Suggestions involved validated parking tickets for those spending over a certain amount.
- Offer more flexible opening hours to attract customers who work during the week. Standardise opening hours so people can rely on stalls being open when they visit the market.

4.8 The key conclusions from the stage 2 engagement feedback were as follows:

- Just over half of all the respondents included in the study indicated they had a preference for the ongoing management of the market. Heavy users of the market were most likely to express a preference.
- The general overriding viewpoints were for ongoing management focused on increased involvement by stakeholders in the continued running and management of the market, a resistance against private ownership, and the

continued involvement of the Council in the management of the market in some form or another.

- The specific approaches to future management mentioned most often by respondents were a preference for continuation of the current management arrangements (i.e. Council led) Civic Enterprise or a Management Board.
- The need to bring in external expertise was mentioned, particularly by those respondents who felt that there was a need to maximise the value that Leeds City Council get from the market, however most of these respondents maintained the need to ensure that any profit made from the market should be re-invested in continued market development.

4.9 Three meetings have now taken place with the NMTF representatives to set out the terms of any transfer and identify the structure, social purpose, investment and membership of the social enterprise. Other management options have also been discussed although not explored in detail.

#### 4.10 Conclusions

4.10.2 Refer to the Management options Appraisal report supplied as a Background Paper to the Executive Board Report.



# Kirkgate Market

Redevelopment and refurbishment proposals

Experience  
**Leeds Markets**

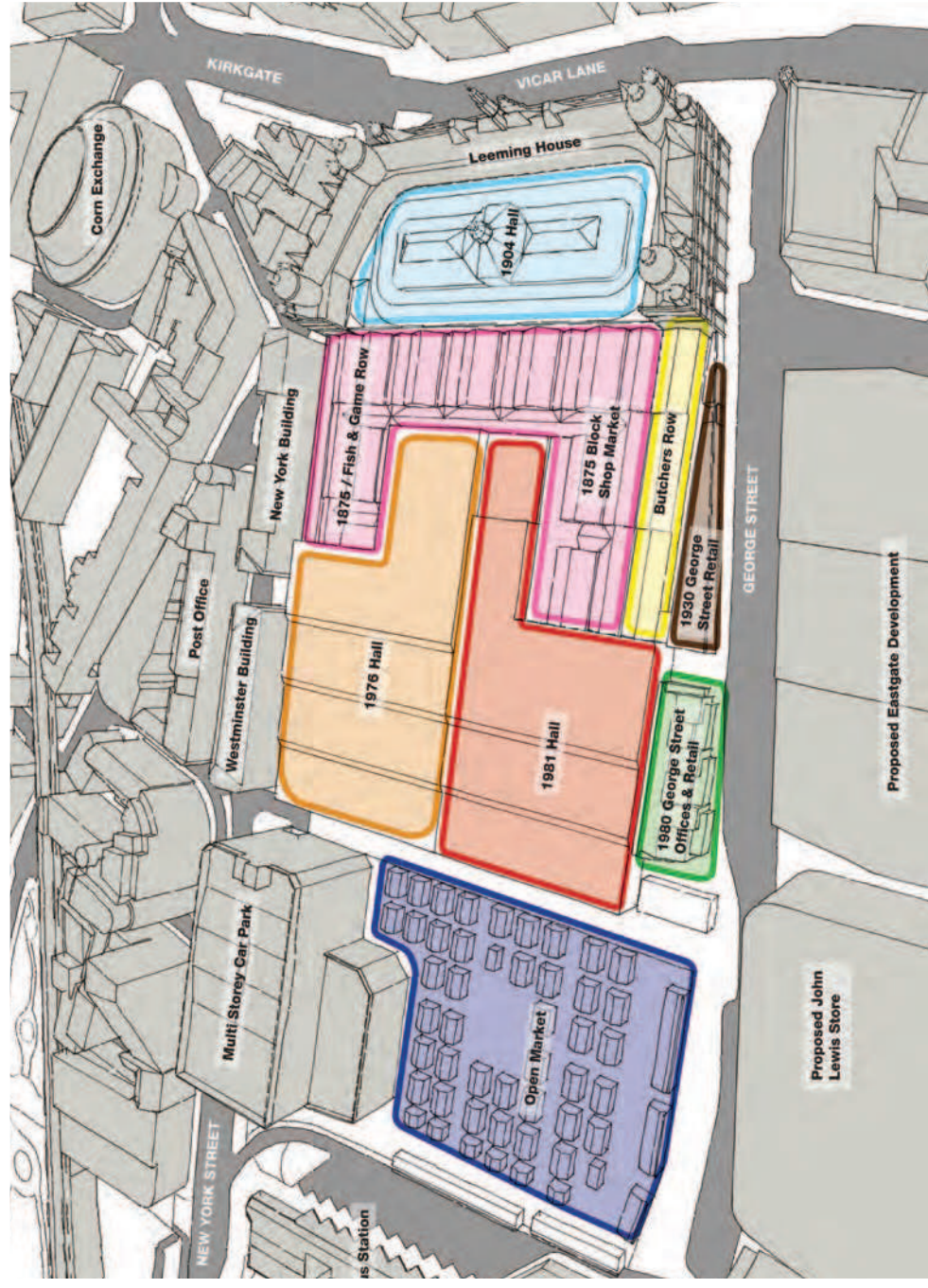
# Kirkgate Market Redevelopment and refurbishment programme

Kirkgate Market is a major asset and attraction for Leeds city centre, drawing in millions of shoppers and visitors every year. It plays a key role in the life of the city centre and Leeds City Council is now proposing a major redevelopment and refurbishment programme, worth £12.3 million, which will secure the long term future of the market.

The improvements are intended to be self-financing, paid for by increased footfall and revenues in future years. Extensive consultation has taken place in drawing up the redevelopment proposals, with over 5,000 responses received from members of the public, shoppers, traders and other interested parties.

Key proposals include:

- investment in essential maintenance and improvements to the buildings
- improvements to the trading floor and external public spaces
- creation of a covered daily market
- redevelopment of George Street
- new management arrangements



## Key benefits

- Create a welcoming and attractive environment in which to work, shop, visit and spend time.
- Support growth and expansion of existing businesses, attract new businesses and reduce vacancy levels.
- Improve the range and quality of goods and services on offer.
- Increase income generation opportunities and revenue.
- Attract people into and improve circulation within the market.

## Fixing the basics

We propose to:

- recover the 1976 and 1981 roof
- carry out essential maintenance and improvements to building fabric, mechanical, electrical and drainage systems
- improve baby changing and public toilet facilities
- improve natural and general lighting
- carry out redecoration and standardise stall signage

## Improving the trading floor

The market will benefit from:

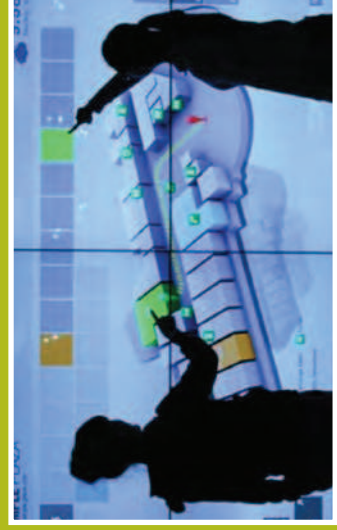
- creation of a covered daily licensed market in the existing 1976 market hall
- a new central events space at the heart of the market to provide a performance, display and pop-up trading area
- new pedestrian routes linking George Street, New York Street and Vicar Lane entrances to attract shoppers and visitors into the market and improve circulation
- new electronic signage, 'You are here' maps, use of colour and design to improve wayfinding
- creation of distinctive zones such as fresh meat, fish and game, fruit and veg, flowers, specialist and niche retailers to draw shoppers to different areas of the market
- strategic location of cafes and 'food to go' stalls



Improving external public spaces



Distinctive zones



Improved signage



Central events space



New pedestrian routes



Covered daily market

# George Street redevelopment

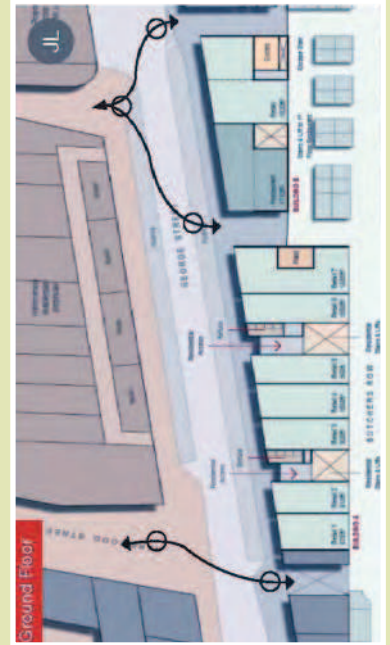
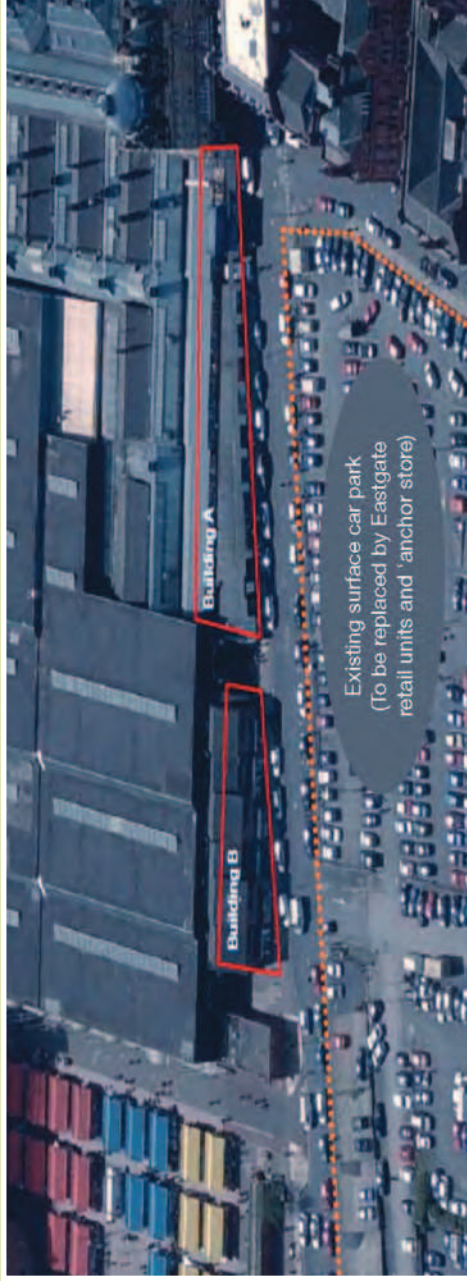
The 1930s shops and the 1980s shops / offices along George Street are outdated and out of proportion with the scale of the adjacent Grade 1 listed market buildings. Investment here will help ensure that George Street becomes a quality shopping street and create a new active frontage to the market that will complement and benefit from the Eastgate Quarters development.

## Key elements of the proposals:

- Demolish existing 1930s and 1980s shops /offices and replace with new build
- Retail units at ground floor with double fronted trading units facing onto George Street and opening into the indoor market
- Up to 3.5 storeys above ground floor for retail / residential use
- Improvements to entrances to the market and public realm along George Street

## Key benefits:

- Significantly enhancing the permeability and commercial opportunities
- Improves the attractiveness of the market and attract more shoppers
- Attracting the predicted 12 to 15 million Eastgate Quarters shoppers into the market
- Raises the quality of the overall George Street shopping experience
- Addresses queuing and loading problems along George Street



## Future management of the market

- **Top public preference:** 'Give traders more of a say' and 'Keep in council control'.
- **Best option:** new Leeds City Council management board to include traders, councillors and independent representatives.
- **Benefits:** stability during redevelopment; stays in council control and all Market Charter functions covered; the council's decision-making arrangements remain in place but strong advisory and influencing role.
- Approach aligns with 'Principles of redevelopment' suggested by Friends of Kirkgate Market.



### Eastgate Quarters

Visual showing internal view of how the new retail development may look.

For further information, visit:  
[www.leedsmarkets.co.uk/strategy](http://www.leedsmarkets.co.uk/strategy)

Contact:  
Tel 0113 214 5162  
Email [strategy@leedsmarkets.co.uk](mailto:strategy@leedsmarkets.co.uk)



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

<b>Directorate: City Development</b>	<b>Service area: Economic Development</b>
<b>Lead person: Fiona Moore</b>	<b>Contact number: 39 50465</b>

**1. Title: Kirkgate Market Strategy**

Is this a:

**Strategy / Policy**

**Service / Function**

**Other**

**If other, please specify**

**2. Please provide a brief description of what you are screening**

On 27 July 2011 the Executive Board approved the vision and objectives for Kirkgate Market and on 10 February 2012 the Executive Board approved recommendations to undertake a feasibility study to redevelop and refurbish the market and to undertake an appraisal on future management arrangements.

A feasibility study has been undertaken to determine what improvement and development proposals could be taken forward to fulfil the Council’s vision for the market. It has involved extensive analysis and review of existing technical data about the condition, suitability and sufficiency of the market site and buildings. Further comprehensive surveys and technical reports were also commissioned to underpin the study and consideration was given to the feedback received from the stage 1 and stage 2 engagements and the key issues developed from the project board, project team, technical advisor and Design Review Panel

In parallel with the feasibility study, officers have developed an investment case to

help determine what the improvement and development priorities are, what a capital investment scheme would comprise and how much funding and investment will be required. The investment case considers the benefits and disbenefits of each element, the stage 2 engagement feedback, existing rents and charges, existing and historical footfall data, comparison with two other successful markets (Birmingham Bullring and Bury), capital costs, including initial capital, borrowing costs and lifecycle costs, decant strategies, compensation payments, the effect on revenue streams during redevelopment and post redevelopment, investment opportunities post redevelopment and the economic impact on the wider Leeds economy

An options appraisal on the potential future management arrangements for Kirkgate Market (indoor and open market) has been undertaken. The management options available are, in order of “more Council control, less complexity, low risk” to “less Council control, more complexity, higher risk”: No change – Managed by Leeds City Council, Alternative Leeds City Council management model, Wholly Owned Management Company, Civic Enterprise, Management Contract, Social Enterprise and Limited Liability Partnership. Each option has been appraised taking account of operational sustainability, financial sustainability and deliverability

### 1. Relevance to equality, diversity, cohesion and integration

All the council’s strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background and education or skills levels).

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	✓	
Have there been or likely to be any public concerns about the policy or proposal?	✓	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	✓	
Could the proposal affect our workforce or employment practices?	✓	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>	✓	

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

#### **4. Considering the impact on equality, diversity, cohesion and integration**

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

Any proposals to refurbish Leeds Kirkgate Market or improve the way the market is managed will have an effect on Leeds City Council Staff, market tenants and traders, market customers and future market customers. The project team have opted for very early engagement with tenants and stakeholders to help shape the ideas and feasibility options for the market before it is decided exactly what changes there could be at the market and any designs are drawn up. The project team have also started early engagement with tenants and stakeholders on how the market could be managed in the future by gathering views and ideas to help identify the future management arrangements.

The current reporting stage for this Equality Impact Assessment is feasibility which covers 'RIBA A & B' (RIBA is an architectural term to classify a particular stage in a project). At this stage there aren't any fixed designs or approaches. It simply outlines what would be feasible and architecturally possible within the scope of the current building or any new building work which could be accommodated within the confines of the site. There isn't any detail about how things would look and feel in refurbished or new build sections of the market. This will be explored in the next stage of the project, post March 2013 Executive Board, where we will begin to develop more detailed plans and proposals for the market site. However, even at this very early stage the project team have considered Equality and Diversity.

#### **Fact finding:**

The main activities during this reporting period (Feb 2012 – Mar 2013) are building surveys, technical investigations, very high-level architectural ideas and public/stakeholder engagement to understand what people thought were the priorities to be considered for any changes to the market and then working with people to understand how important certain 'elements' for improvement in the market are.

Engagement Stage 1 – what we asked people:

Here it was important to gather lots feedback on what people thought about the market

so other than the 'about you' questions as many as possible were open ended.

Questions included:

1. Rating aspects of the market – product selection, quality of products, cleanliness, personal service, market layout, ease of shopping, shopping environment, overall shopping experience.
2. How would you describe Kirkgate Market? (open ended)
3. What 5 things would you change about Kirkgate Market (open ended)
4. What is the best thing about Kirkgate Market (open ended)

Engagement Stage 2 – what we asked people

Here the Council considered all the feedback from the stage 1 engagement survey, face to face sessions and the interim findings from the feasibility study (advising on what could be improved or change the current market buildings and environment) and grouped the findings into 'elements'. As part of stage 2 it was explained the Council couldn't afford to deliver all of the elements 'in one go' therefore it was important people told us which elements they felt were the most important. The project team pulled together a booklet to support the survey to explain more about the 12 'elements' and potential new management options for the market. The 12 'elements' we asked people to rate as 'high', 'medium', 'low' and 'don't know' were:

1. Fixing the basics
2. Replacing the roof of the 1976 and 1981 Halls
3. Heating and cooling
4. Finding your way around
5. Creating zones
6. Creating a heart
7. Creating a new route through the market
8. Layout
9. Improving the look and feel of the market
10. Reducing the size
11. Improving George Street
12. Improving public external spaces

We also asked people if they had a preference on 'how the market was managed' and what those preferences were. This was an open-ended question.

During the feasibility stage, which covers RIBA A&B, the design team operated within the principles of the Disability Discrimination Act (DDA) in terms of compliance and accessibility. The bulk of the work undertaken by the design team so far is surveys of the existing building and understanding what 'development massing' (size and scale of buildings) may be possible within the confines of the existing site. An example of a survey would be the current floor levels within the market; this was carried out to understand if these will need to be altered as part of any changes to the buildings to ensure they are DDA compliant. Once the project moves forward into RIBA stages C – E (post March 2013 Executive Board) design work will commence and it is at this stage more detailed consideration can be given to DDA, accessibility, equality and diversity within the context of the building and surrounding site.

The customer and stakeholder engagement stages of the feasibility study were designed to minimise negative impact upon equality and diversity and promote different opportunities for people to find information and respond.

The project team has worked closely with Leeds City Council's Equality Team and Corporate Consultation Manager to ensure any engagement is as inclusive as possible.

### **Accessing information at any time on the project:**

Throughout the feasibility study there has been a dedicated website, where documents and survey information are published and plain English is used where possible (some documents are minutes of meetings and cannot be altered so the project team may have to write a short explanation). On the website there are clear statements on how to access materials in alternative formats. There is also an email address to which any questions or suggestions can be submitted at anytime to the project team.

There is a pictorial timeline in the market on butchers row which simply sets out what people can expect during the feasibility (running up until March 2013 Executive Board), when people will be asked for their views and when decisions will be made. This also gives the website address.

There was such a vast amount of information relating to this project it would have been impractical to store it in the public domain in any other way than electronically. Although not everyone has a computer, there is free public access to computers in libraries across Leeds and where possible, as part of the engagement process, we have organised public displays and drop-ins.

### **How people have their say:**

There were two separate occasions in this current feasibility phase where people could have their say. April – June 2012 (stage 1) and October – December 2012 (stage 2). Each stage of engagement was live for at least 8 weeks.

During the engagement periods it was important that information was easily accessible to people and there was support in place if people needed help to enable them to contribute.

This was done by:

1. Promotional materials contained the LCC contact centre number. Here people could request assistance or alternative formats. Contact centre staff were briefed on the project and how to respond to enquiries;
2. Text-phone number available to relevant groups;
3. Email address available to ask questions or request support;
4. All promotional materials and surveys contained information on how to request alternative formats and how to contact Leeds City Council about the feasibility study;
5. Plain English was used;
6. Where possible diagrams and pictures with a short narrative were used;
7. Minimum font size was used for easy readability;

8. Large print correspondence produced when requested;
9. BSL sign language support staff made available at specific meetings;
10. Personal assistants made available at specific meetings;
11. Taxi transport supplied by Leeds City Council and made available to attendees with specific requirements to enable them to come to their workshop/meeting;
12. The same information was available in both electronic and paper versions;
13. Content and associated materials for face to face activities tailored to meet audience needs;
14. Staff available at published times at the stall in the market to talk people through information on a one on one basis;
15. Venues for any workshops or meeting were chosen with guidance on accessibility from Leeds City Council's Equality and Diversity team.

Information was provided at a number of different locations within different communities:

1. Information stall within the market (staffed at advertised times);
2. Kirkgate Market information centre;
3. Libraries and one stop centres across Leeds;
4. Online at the Kirkgate Market Strategy website;
5. Online at the LCC talking point pages;
6. Civic buildings (stage 1 'quick pick up' for the surveys not practical for stage 2);
7. Email networks including Voluntary Action Leeds and Concord;
8. Public drop-ins (stage 2) \*;
9. Pre-arranged stakeholder meetings.

\* For the second stage of engagement there was more detailed information for people to digest before they could respond to the survey. In recognition of this 4 public drop-ins were held through the day and evening where anyone could turn up and ask questions/find out more about the project and have their say. This was additional to the market stall drop-ins. These were advertised in the local press and on the website.

### **Publicising opportunities to get involved:**

The project team used newspapers, radio, website (2 different sites), twitter, targeted emails and mail outs e.g. Voluntary Action Leeds, Concord and Leeds City Council Equality Hub network. People also had the opportunity to come across the information as part of their daily routine via the information stall in the market and information in the libraries and one stop shops.

### **Face to Face work:**

Although the stage 1 and stage 2 engagement opportunities for the feasibility were far-reaching it was important to target specific groups to ensure that the project team had

more in-depth views and opinions from those groups. With this in mind the project team set up specific meeting/workshops/drop-ins for the following stakeholders:

1. Markets Management Team;
2. Markets Staff;
3. Market Tenants / Traders;
4. Councillors;
5. Leeds City Council Equality Hubs;
6. Members of the public;
7. Citizens Panel;
8. Young People;
9. Local Interest Groups – e.g. Friends of Leeds Kirkgate Market and Civic Trust;
10. Leeds City Council Urban Design and Planning;
11. Local Business and Development Forums.

The project team also arranged site visits to other markets with Councillors and traders so lessons could be learnt from other recently developed markets.

Additional to the wider feasibility study discussions as part of the stage 1 and 2 engagement process the project team have undertaken detailed discussions with market traders and their consultant on potential management options for the market. Starting these discussions early with the trader representatives was important as any changes to the management of the market will affect market tenants and traders. The purpose of changing the management approach for the market is to bring about improvements as laid out in the vision and objectives of the market. There have also been discussions with Markets Staff around the potential management options as this could potentially have an impact upon their job. The March 2013 Meeting Executive Board will consider a range of possible management options. Post Executive Board there will be more in-depth work with staff and traders to bring forward the new management arrangements; this will be additional to any wider stakeholder engagement.

**Data:**

When asking people their views on the market, data was also gathered about the respondent; this included:

1. First part of postcode
2. Age
3. Ethnicity
4. Employment status
5. Disability

This allowed data to be extracted and reviewed for different demographics and enables the Project Team to identify any gaps in the process. Using the Citizen's Panel also ensures that we reach a broad demographic of Leeds residents. The project team have used this data to understand what is important and what preferences particular

demographics or groups hold. This has been taken into account when recommending proposals for the market. It was noted from the data that there were only small differences between the overall results and results filtered by characteristic. This has been explored further within the stage 1 and stage 2 engagement reports.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

In the feasibility study stage 1 and stage 2 engagement sessions it was important that we spoke to single or grouped similar interest groups. At feasibility stage it was important that everyone's voice was heard to understand the broad range of opportunities, challenges and ideas surrounding the market. Mixed groups will be brought together, as appropriate, in the next stage(s) of the project.

There were some opportunities for people with a common interest in the market to come together through the public drop-ins (open to everyone), visiting the stall in the market and through the Citizen's Panel focus groups (the Citizen's Panel is open to all Leeds' residents). Anyone can interact on the subject of the market on our twitter feed.

As part of the data analysis for stage 1 and 2 engagement the data was sifted by characteristic. Given the number of open questions for stage 1 there were a wide variety of answers across all characteristics. For the full breakdown please refer to the 'Kirkgate Market Stage 1 Engagement Report' at [www.leedsmarkets.co.uk/strategy](http://www.leedsmarkets.co.uk/strategy) and attached as a background paper to the Executive Board report. The variations did not necessarily imply a statistical pattern.

For the most recent stage of engagement, stage 2, the majority of the questions had a 'tick box' format. For the full breakdown please refer to the 'Kirkgate Market Stage 2 Engagement Report' which is available at [www.leedsmarkets.co.uk/strategy](http://www.leedsmarkets.co.uk/strategy) and is attached as a background paper to the Executive Board report. There was little difference between the priorities when split by gender, this was again the case when reviewed by age. However, it was noted that as respondents age increases so did the importance of 'heating and cooling', 'reducing the size of the market', 'replacing the roof', 'fixing the basics' and 'improving the look and feel of the market'. Respondents from BME (Black and Minority Ethnic) groups were more likely to wish to see improvements in terms of being able to navigate the market so factors such as 'finding your way around', 'creating zones' and 'creating a new route through the middle' were more likely to be mentioned as 'important' by this demographic group. In terms of employment status, whilst there were a number of significant differences between groups, these differences did not appear to follow any discernable pattern. For a full breakdown of findings please refer to the stage 2 report.

As the project progresses past March 2013 Executive Board there will be opportunities to bring mixed groups and communities together to discuss specific improvements in the market. This is when the project moves into the design phase and discussions commence around what will change 'on the ground' in the market and more detailed work



on the management arrangements will take place. Here mixed groups will need to understand other people's perspectives and priorities to come to a consensus on what could be changed.

Communication and clear and accountable decision making is key to make sure people understand why and how decisions are being made and how what they have told us feeds into that process. This will help to dispel any perceptions that the proposals could benefit one group at the expense of another.

As part of the feasibility study process we will have published all the redacted responses to the surveys and the stage 1 and stage 2 engagement reports. It is important to do this so people can understand the information we review as part of the decision making process and help dispel any misconceptions about the engagement process.

In the future given that we want to increase the customer base for the market there maybe campaigns targeted at particular groups or communities who don't currently shop in the market.

- **Actions**

**(think about** how you will promote positive impact and remove/ reduce negative impact)

A critical element of the project is communication and clear and accountable decision making is key to make sure people understand why and how decisions are being made and how what they have told us feeds into that process.

The website is vital in keeping people up to date on what is happening in the project, here we share meeting minutes and reports as well as providing a contact point for any survey information. News releases are also used to share positive messages about the market.

Continued stakeholder engagement is also key to the success of the project and for the next stages the project team will be building on the existing work done as part of the stage 1 and stage 2 engagement process. Looking at good practice and identifying any areas where the process could be made to work even better.

**5. If you are **not** already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:	n/a
Date to complete your impact assessment	n/a
Lead person for your impact assessment (Include name and job title)	n/a

**6. Governance, ownership and approval**

Please state here who has approved the actions and outcomes of the screening

<b>Name</b>	<b>Job title</b>	<b>Date</b>

--	--	--

**7. Publishing**

This screening document will act as evidence that due regard to equality and diversity has been given. If you are not carrying out an independent impact assessment the screening document will need to be published.

Please send a copy to the Equality Team for publishing

<b>Date screening completed</b>	06/02/13
<b>If relates to a Key Decision send to Corporate Governance</b>	
<b>Any other decision please send to Equality Team (equalityteam@leeds.gov.uk)</b>	

## EXECUTIVE BOARD

WEDNESDAY, 13TH MARCH, 2013

**PRESENT:** Councillor K Wakefield in the Chair

Councillors J Blake, A Carter, M Dobson,  
S Golton, P Gruen, R Lewis, L Mulherin,  
A Ogilvie and L Yeadon

### **DEVELOPMENT AND THE ECONOMY**

#### **194 Kirkgate Market Strategy**

Further to Minute No. 42, 27<sup>th</sup> July 2011, the Director of City Development submitted a report setting out proposals for the redevelopment and refurbishment of Kirkgate Market, whilst also providing information on the short and longer term management arrangements for the Market.

With regard to proposals around the future management structure of the market, Members discussed the options for a future management model, considering the potential role which could be played by the traders. In conclusion, it was undertaken that a further report would be submitted to the Board in due course, in order to enable Members to consider this matter in more detail.

A Member reported the concerns that some traders had relayed to him in respect of how their leases may be affected by the proposals, and requested that contact was made with those traders in order to address such concerns.

#### **RESOLVED –**

- (a) That in principle agreement be given to the proposed improvements to the interior of the Market, as summarised within paragraph 5.1 of the submitted report, in order that the project can be progressed and a detailed planning application submitted (completion of RIBA Work Stage D – Design Development), and also to enable the introduction of the scheme into the Capital Programme.
- (b) That in principle agreement be given to progress the improvements to George Street, as outlined within paragraph 5.2 of the submitted report, as a separate project (approval from Executive Board will be sought subsequently to introduce this as a separate scheme into the Capital Programme).
- (c) That agreement be given to continue to hypothecate future years markets surplus, as detailed within the submitted report, in order to fund prudential borrowing, which in turn will fund the capital costs of the redevelopment and refurbishment proposals.
- (d) That in principle agreement be given to putting in place an alternative management structure within Leeds City Council, with a further report

Draft minutes to be approved at the meeting  
to be held on Wednesday, 24th April, 2013

being submitted to the Board in due course, in order to enable the Board to determine detailed proposals.

- (e) That approval be given to an injection of £1,615,000 into the Capital Programme and approval also be given to the incurring of expenditure of £1,615,000 for the first phase of backlog maintenance and upgrade works in the Market, to progress the scheme design proposals to RIBA Stage D for the proposed redevelopment and refurbishment of the Market and also for the developer procurement competition for the George Street frontage.