Bolton Council

Report to:	**THE EXECUTIVE**		
Date:	**30th March 2009**		
Report of:	**DIRECTOR OF CORPORATE RESOURCES/DIRECTOR OF DEVELOPMENT AND REGENERATION/DIRECTOR OF ENVIRONMENTAL SERVICES**	**Report No:**	
Contact Officer:	**Laura Boardman**	**Tele No:**	**6135**
Report Title:	**Horwich Market**		
~~**Confidential /**~~ **Non Confidential:**	(***Non-Confidential***) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public ~~This report is exempt from publication by virtue of Paragraph 3 of Schedule 12A to the Local Government Act 1972.~~		
Purpose:	To update members on the findings of the Horwich Market feasibility study and to seek approval from members for the closure of Horwich Market and to endorse a trial for an alternative market provision at St Johns Street.		
Recommendations:	It is recommended that the Executive: i) Approves the closure of Horwich Market and ii) Approves a trial of demountable market stalls at St Johns Street Car Park/and the ongoing consultation with Horwich Market Traders.		
Background Documents:	Confidential		
Decision:			
Signed:	Leader / Executive Member		Monitoring Officer
Date:			

1. Summary

1.1 Horwich Market is a steel framed, timber clad structure with corrugated asbestos roofing, located on Curteis Street, Horwich. There are two car parks with spaces for approximately 90 cars. The Market itself comprises 15,000 sq ft or thereabouts of indoor market space containing 108 stalls trading on Tuesdays and Fridays. At best only 25 traders are present on any given day. The market also holds a highly successful flea market on a Sunday.

1.2 At present, the market is in a dilapidated state, lacks profile and visibility and is also somewhat divorced from the core of the Town Centre. As a consequence, it does not benefit from any town centre footfall. Furthermore, it is in an unattractive condition to both traders and local residents and over the last three years the Market has operated at an average annual deficit of over £30,000.

1.3 On 7th and 9th July 2008 the Executive Members for Development and Corporate Services respectively approved a report to commission a Feasibility Study for the possible redevelopment and/or re-location of Horwich Market. This report outlines the findings from the feasibility study.

1.4 This report also sets out the strategic context for Horwich, highlighting findings from recent evidence based studies and considers the implications of local and national planning context in relation to development in Horwich Town Centre.

2. STRATEGIC CONTEXT

2.1 In view of its strategic location, next to one of Bolton's prime tourist attractions and key employment sites it is felt that there is potential to increase the number of visitors into Horwich Town Centre.

2.2 Horwich Town Centre has developed and flourished over a long period of time and in different sets of circumstances, finding opportunities out of previous economic challenges such as the closure of the Loco Works, and the development of Middlebrook. Maintaining a focus on Horwich alongside the other Local Town Centres will enable the Council to maximise the new opportunities for investment, enhancement, and development.

2.3 The Council commissioned a review of the market from Donaldsons in 2006. The report acknowledged the decline of the market and its detrimental affect on the area. The report also highlighted the importance of a successful market to Horwich in terms of employment; both direct and indirect, contribution to the vitality and viability of the district centre and the potential to stimulate other businesses in the Town Centre by attracting large numbers of visitors from the surrounding areas.

2.4 The recently completed Roger Tym Retail & Leisure Study undertaken to inform the new Planning Core Strategy recognised that Horwich is an important outer town retail centre in the overall retail hierarchy of Bolton. The report also identified that Horwich Town Centre 'lacks a focal point' and found that despite recent improvements in Horwich's retail rankings, there are indications of decline in the centres overall vitality and viability. More encouragingly, the report found that leisure spending is strong in Horwich for restaurants, cafes, pubs and bars and that Horwich town centre has a high walk-in rate of 65 percent of visits being made by foot.

2.5 The Primary Care Trust (PCT) are transforming their community estates and are investing in the development of community based health accommodation in Bolton through a LIFT programme in partnership with Eric Wright Group. The PCT's Strategic Service Development Plan for June 2008 has identified that a new centre will be developed in Horwich in 2012. The new centre will double the capacity of the existing provision from 419 Sqm or 4,510 Sq Ft to 1,000 Sqm or 10,800 Sq Ft.

2.6 The 'Improving Horwich Town Centre Action Plan' updated in April 2008, identifies the market as its number one objective. The key objective of this action plan is to improve the overall commercial viability and vitality of the Town Centre and was approved by the Executive Member for Development following consultation with the Town Council and Ward Members.

3. SITE DESCRIPTION

3.1 The Existing Market Site

The western half of the Market Hall site is occupied by the wooden Market Hall buildings, which are used for the market on Tuesdays and Fridays. Spring Street bisects the site but is enclosed within the market grounds and is no longer a through road being at the northern end. There is surface car parking on the eastern half with a refuse bin compound in the centre of the car park area and some planting within beds. The site lies in a residential area and is bounded by Mottram Street and Curteis Street to the north and south, respectively, with housing beyond. Residential housing lies beyond the eastern and western boundaries also with Chorley New Road, the A673, beyond the housing to the west.

3.2 The building is dilapidated and close to the end of its useful life. A recent inspection by Building Control in March, inspectors found that 74% of the steel stanchions are showing signs of corrosion, of which 60% have severe corrosion. Further investigation is recommended to determine the amount of corrosion below ground and any remedial works carried out within a period of 6 months. These potential works would incur significant costs to the Council on a building which is deemed past its useful economic life.

3.3 St Johns Street

St Johns Street Car Park is a tarmac surfaced car parking area, the southern third of the site contains the remains of the former Horwich Job Centre, which consists of a concrete base with minor evidence of brick walls. The site is bounded by St Johns Street to the east with a restaurant and a laboratory equipment supplier beyond and New Brunswick Street to the west. To the north, the site is separated from Winter Hey Lane by a Post Office, a butchers and a vacant site. To the south of the site, there are a number of trees and shrubs surrounding the site with industrial units selling DIY materials, building plastics and an auto repair shop. Beyond these to the south, there are all weather pitches, a playground and recreational area.

The St Johns Street car park site is the preferred alternative location for Options 2, 3 & 4.

4. BOLTON MARKETS OVERVIEW

4.1 Following completion of a recent Value for Money (VFM) exercise for Bolton Markets Service a Strategic Development Framework for the service is now being developed. Although the markets unique selling point (USP) will be focused on its primary site, Ashburner Street, the development of the district centre venues aim to feature food but will concentrate on improving the current product on offer by ensuring the market retail offer adds value to the overall

shopping repertoire in the towns around the Borough.

4.2 These developments will also acknowledge the local nature of the current/future customer base as well as helping to promote other regeneration drivers such as tourism and culture. In addition, the traditional function of a market (a meeting ground for new small businesses and entrepreneurs) must not be ignored. For the industry, at a local level, the ability for new small retail businesses to move from an outdoor trading position to an indoor unit or shop helps meet the Councils 'Achieving and Prosperous' objective.

4.3 Finally the development of these local markets should where possible add value to any interventions being considered by the Council's partners eg. the PCT and the GMPTE as well as works being considered by other Council Departments.

5. FEASIBILITY STUDY FINDINGS

5.1 An in-depth feasibility study, including costings by a professional Quantity Surveyor and a robust financial appraisal has been conducted by senior Council Officers in conjunction with Leslie Jones Architects. The study considered a range of options for Horwich Market which are detailed below.

5.2 **Option 1 Close the existing market**

Closure of the market would require the building to be demolished and the site made good and mounded, with the disposal of type 3 asbestos roof and disconnection of all mains services. This work will cost approximately £36,000.

5.3 **Option 2 Replacement Market Building at St John's Street**

This is a new build option and provides a new market located as close to Winter Hey Lane as possible with a conspicuous main entrance facing on to the junction of Winter Hey lane and New Brunswick Street with space for an out-door market, servicing and car parking located to the south end of the site formerly occupied by the Job Centre Building.

This option would provide a gross net area of 9,041 sqft with space for 19 stalls indoor with 33 available outdoors and includes a storage area for stalls, a small boiler/meter room, market offices and toilet facilities. In total this scheme would cost £760,000.

5.4 **Option 3 Mixed Use Market Building at St John's Street**

This is a larger new build option involving the development of a new market with offices above. The building included retail/café frontage and 20 indoor stalls, it also included a storage area for stalls, a separate refuse store, a small boiler/meter room, market offices and toilet facilities. The upper level would be developed as office accommodation. This option also considered a flexible outdoor area located within the entrance to the park which could be used for parking or to accommodate additional stalls, Sunday markets, events and market servicing. In total this scheme would cost £1.4M.

5.5 **Option 4 Canopied Outdoor Market at St John's Street**

This proposal considered a canopied market using a fabric single span structural form which would provide cover up to 28 single and 14 double size stalls. This option also

included an amenity block to be built on the former job centre site with space for café, toilets, office and storage of demountable stalls and refuse. In total this scheme would cost £575,000.

5.6 **Option 5 Demountable Market Stalls at St John's Street**

This proposal included resurfacing the car park to a high quality public realm capable of accommodating 28 single and 14 double size stalls. This would provide flexibility of use as a market, as an events area or as a car park on non market days. A permanent storage facility encompassing a café, toilets, office and storage of demountable stalls meters and refuse would also be developed. In total this scheme would cost £460,000.

5.7 **Option 6 Demountable Market Stalls on Winter Hey Lane**

This proposal considered accommodating a maximum of 50 market stalls along Winter Hey Lane, To facilitate this option, it would require a widening of the paved area to the south side to accommodate the market stalls with re-kerbing and re-surfacing works also needed. In addition, a one way system with related traffic orders is required on Winter Hey Lane. This option also includes an accommodation block with space for a café, toilets, office and storage of demountable stalls meters and refuse. In total this scheme would cost £1.8M.

5.8 **Financial Appraisal**

A financial appraisal was undertaken for each of the options, taking into account development costs, anticipated income/expenditure and surplus/deficit before capital financing. The breakdown is shown in the table below.

Option	Dev Costs	Anticipated Annual Income	Anticipated Annual Expend	Surplus / Deficit before Capital Financing	Deficit after Capital Financing*
1) Close the Existing Market	£38K	0	0	0	0
2) New Market Building at St John's Street	£760k	£81,000	£92,000	**-£10,000**	**-£18,000**
3) New Mixed use Market Building at St John's Street	£1.4m	£92,000	£94,000	**-£3,000**	**-£43,000**
4) Canopied Market at St John's Street	£575K	£68,000	£84,000	**-£16,000**	**-£16,000**
5) Demountable Market Stalls at St John's Street	£460K	£36,000	£42,000	**-£6,000**	**-£6,000**
6) Demountable Market Stalls on Winter Hey Lane	£1.8M	£31,000	£41,000	**-£9,512**	**-£69,000**

* An assumption that the council would provide up to £600K capital was made for the purpose of the appraisal.

5.9 **Analysis**

Following a robust and detailed appraisal of the options, the feasibility study found that none of the options to retain a market are economically viable as all continue to deliver an operational deficit. When taking capital financing into account the revenues become even less financially viable.

5.10 **Consultation**

Over the past month these findings have been presented to Executive Members for Development & Regeneration, D&R Policy Development Groups, Ward Members, Horwich Town Council, the Two Towns Area Forum and Horwich Market Traders. Following consultation across these groups, it has been widely accepted that the building currently housing Horwich Market at Curties Street is past its useful economic life. A recent online poll by the Bolton News on 11th March 09 asked if it is worth keeping Horwich Market open, 48% voted Yes and 52% voted no.

5.11 During this period of consultation, two valid suggestions have been put forward:

5.12 **Demountable Market Trial**

A suggestion was made for Officers to revisit the option of demountable market stalls and to provide a minimum cost solution to facilitate a 6 month trial at St Johns Street Car Park. A 6 month trial would enable the market service to test trade from both existing and new traders and to gauge the level of demand for an open market from residents and visitors to Horwich.

5.13 **PCT Health Centre/Market**

Another suggestion was made to explore the potential of incorporating the market beneath a new PCT Health centre which is proposed for Horwich as part of the LIFT development. It should be noted that this would not address the issue of continuing operational deficit identified for each of the feasibility options. There may also be issues of compatibility of uses.

Further consultation with existing Horwich Market traders is ongoing to determine those who would be prepared to trade on demountable stalls and those who wish to be accommodated within the wider markets portfolio.

6. CONCLUSIONS

6.1 For the last three years Horwich Market has operated at an average annual deficit of over £30,000 and this trend is set to continue. The market has suffered from inherent problems over the years, its location is unsuitable for the purpose of a market as it is divorced from the town centre and as a consequence, it does not benefit from any town centre footfall. The market is unable to attract additional customers due to the insufficient number of vendors, however it cannot attract additional vendors due to the lack of new customers.

6.2 The market is currently in an unattractive condition to both traders and local residents and is failing to meet modern customer expectations or requirements. Changes in retail habits mean that the majority of people now prefer to do all their shopping at supermarkets or online. There is a significant choice of supermarkets and value retailers in Horwich town centre and at Middlebrook.

6.3 The market building is considered to be dilapidated and without significant remedial works it will inevitably become unusable.

6.4 A detailed feasibility study has identified that there is no financially viable alternative.

6.5 In the light of all relevant information including the detailed feasibility study it is therefore proposed that Horwich Market is closed, the building demolished and the site marketed at the appropriate time as a development opportunity. Every effort will be made to accommodate existing traders at alternative markets. It is further proposed that a demountable stalls market be trialled at St Johns Street to test interest from existing and new traders and Horwich residents/visitors. It is proposed that the market closure be completed by 31st August 2009, and the trial open market be commenced within this time period.

7. RECOMMENDATION

7.1 It is recommended that the Executive:

i) Approves the closure of Horwich Market and
ii) Approves a trial of demountable market stalls at St Johns Street Car Park/and the ongoing consultation with Horwich Market Traders.