



<b>Subject:</b>	Markets Update
<b>Date:</b>	7 February 2018
<b>Reporting Officer:</b>	Donal Durkan, Director of Development, ext 3470
<b>Contact Officer:</b>	Clodagh Cassin, Markets Development Manager, (ext 5455)

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Some time in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	To update the Committee on markets including the Christmas Continental Market, St George's Market and Twilight Markets and the proposed increase in stallage fees for St George's Market
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to: <ul style="list-style-type: none"><li>• Note the update on the Christmas Market</li><li>• Note the update on the St George's Market and Twilight Markets</li></ul>

	<ul style="list-style-type: none"> <li>Note and agree the proposal to increase the stallage fee at St George's Market, from £15 to £16 per stall per day, from 1 April 2018 and to increase the stallage fee for hot food concessions from £15 to £25 per stall per day, from 1 April 2018</li> </ul>
<b>3.0</b>	<b>Main Report</b>
3.1	Members will be aware that the Spring and Christmas Markets at Belfast City Hall are operated on behalf of the Council by Market Place Europe (MPE). The contract runs from 1 July 2016 to 30 June 2019.
3.2	This year's Christmas Market took place from 18 November to 23 December 2017. In all, there were 98 stalls. As part of the contract with the Council, there is a requirement for at least 30% of the traders to be local. In reality 34 (33.3%) of the traders at this year's Market were from Belfast or Northern Ireland.
3.3	As a result of the removal of the large screen, the Market organisers drew up a revised layout plan for this year's Market. This included the establishment of a Food Court area in the location previously occupied by the large screen. This development has been welcomed by traders and shoppers. It meant that visitors could circulate more easily as there was dedicated seating space for the Food Court. There was also a small performance space with regular performances from local musicians at peak times.
3.4	As part of their contractual obligations to the Council, MPE must undertake a bi-annual economic impact survey to assess the economic value of the Market in terms of visitor spend and contribution to the wider city economy.
3.5	While MPE are not due to undertake their economic impact survey until after the 2018 Christmas Market, they have undertaken some evaluation based on engagement with a sample of traders and visitors. Traders reported that trade increased by 5% on the previous year. They also remarked on an apparent increase in coach tour business – particularly during the week. Finally, traders noted an increase in the number of overseas visitors this year – many of whom also appeared to be visiting the Market as part of an organised tour.
3.6	Visitors to the Market commented most regularly on the improved layout, the range of new traders and the additional provision for children, including the Helter Skelter. Almost 1000 school children and young adults took part in the Christmas Market Educational Tours which

were provided free of charge.

- 3.7 Markets are traditionally a good platform for traders who are starting out in business. The Market experience provides an invaluable opportunity for customer engagement and feedback on the products on offer. Each year, MPE organises a 'Pitch Perfect' competition. This provides new local businesses with an opportunity to trade at the Market free of charge. The winners of this year's competition were Upstyle Originals and The Gift Box. Upstyle Originals, from North Belfast sold upcycled glass bottles that were turned into lamps and ornaments. The Gift Box Company from Newcastle, Co. Down, sold pre-gift boxed Irish products. We also awarded a stall to Outside In, a Social Enterprise company working with the homeless. They sold hats, gloves and sweatshirts. Each product purchased was matched by the company and given to a homeless person.
- 3.8 Members may recall that, for the first time in December 2016, MPE placed new, smaller chalets at the front of the City Hall, just outside the perimeter railings. These were targeted at small food businesses, as part of the 2016 Year of Food and Drink. These units were open to all types of small businesses this year. For the 2018 Market, MPE will work closely with the Council's Economic Development Team to ensure that local businesses are given the opportunity to trade at the Market.
- 3.9 Members were advised of additional security arrangements at this year's Market based on engagement with the PSNI. This included additional security personnel at all entrances at peak times as well as random bag searching. There has been no significant adverse reaction to this approach and there were no incidents.
- 3.10 While the MPE report for the 2017 Market was limited in scope (a fuller report is due next year), research undertaken by the Belfast One Business Improvement District (BID) highlights the value of the Christmas Market to the city – and to other traders in the city centre. According to this research, 100% of those surveyed (sample of traders and city centre users) were aware of the Christmas Market (and 85% were aware of the Spring Continental Market). 75% of respondents felt that the Christmas Market was of significant direct value to Belfast City Centre; 15% felt that it had some direct value, 5% felt that it had some indirect value and 5% felt that it had no value to Belfast. When asked about the impact of the Christmas Market on their business, city centre traders responded as follows: 21% felt that it was of some indirect value and 18% felt that it was of no value to their businesses. All in all, this is a very strong endorsement of the contribution of the Christmas Market to the city

and to city centre traders.

- 3.11 MPE's own economic impact research from the 2016 Christmas Market (carried out by an independent research company) found that more than 1,300,000 people visited the Market over the five week period that it was operational. Almost 25% of the visitors were from outside Northern Ireland. The gross economic impact of the Market in terms of visitor spend at the Market and elsewhere in the city as well as trader spend on food/accommodation while trading at the Market was in excess of £78,000,000. Members will be aware that MPE pays a fixed fee of £80,000 and a percentage of rent from the stalls to the Council for operating the Market and is also contractually obliged to make good all damage to the front lawn by replacing the lawn after the event.
- 3.12 Work is already underway on plans for the Spring Continental Market (dates are Thursday 24 to Monday 28 May) and for the 2018 Christmas Market. Feedback from traders and Market users will form an important element of the lessons learned in order to inform plans for future events.
- 3.13 St George's Market and Twilight Market update  
St George's award winning Market is going from strength to strength and in 2017 attracted customer numbers of over one million. This is an increase of 20% on 2016. The weekend Market is continuing to grow and recent research conveyed that 66% of customers interviewed cited St George's Market as their main reason for visiting Belfast City Centre. Tourist visitors have also increased into the market by around 20%. In addition the estimated economic impact for the city is £40.9 million a year.
- 3.14 St George's Market is also now a popular venue for events from Monday to Thursday. In 2017 the venue hosted conferences, exhibitions, youth markets, wedding fairs, as well as key events such as Digital DNA, NI Science Festival, Generation Innovation, and the extremely popular Twilight Markets.
- 3.15 The original Twilight Market in 2015 was conceived as a means of trying to boost evening trade and economy in the city, as well as to promote our local food and drink industry. It grew from a pilot event to become one of the largest events in the city calendar.
- 3.16 Over 140 traders from the local food and drink industry take part in each event and traders

	<p>from the restaurant sector and arts and crafts industry are also represented. In addition there are local musicians and local entertainment.</p>
3.17	<p>Twilight Market is now firmly “on the map” in terms of our city’s calendar of events. Having received a Tourism NI award in 2016 for Market Innovation, Twilight Market has welcomed over 80,000 visitors since it opened its doors in 2015 and has gone from strength to strength. The Twilight Market is now a two day event and regularly attracts over 25,000 customers to St George’s. Planning work is currently underway for the 2018 Twilight Markets. While dates are currently being finalised, it is likely that four events will take place in May, August, November and December. 2018 will also see an increase in other events in the Market with some bookings already in place.</p>
3.18	<p>Members have advised that they wish to realise savings in the Council’s budget and to increase revenue generation opportunities. In addition to the weekend markets, a new staffing structure with additional front-facing Customer Service and Duty Manager roles means that the team is now equipped to explore new opportunities for increasing income at the Market. In addition to the planned Twilight Markets, there are a number of additional mid-week bookings at St George’s Market and the management team are now actively seeking new business opportunities to offset the costs associated with running the Market.</p>
3.19	<p><u>St George’s Market Stall Increase</u></p> <p>At the City Growth and Regeneration Committee on 10 February 2016, Members agreed to increase the stall fees at St George’s Market by £1, to £15 per stall, with effect from 1 April 2016. It was also agreed that a review of stallage fees, and other potential income sources, would be undertaken with a view to identifying how the fees can support the investment required to sustain the Market into the future. There has not been an increase in stall fees since that date. Members will be aware that the success of St George’s Market has grown significantly in recent years. Much of this success is due to ongoing investment by the Council in the venue, working in close partnership with the traders.</p>
3.20	<p>At present, the Market attracts between 6,000 and 7,500 visitors on each Market day (Friday, Saturday and Sunday). It is now one of the most significant visitor attractions in the city. In the 2017 calendar year, over 1 million people visited the market. In addition to the weekend Markets, St George’s hosted three Twilight Markets in 2017 as set out above.</p>
3.21	<p>The current stallage fee of £15 represents very good value for money for traders, as it also</p>

	<p>includes marketing and promotion of the Market. Members will be aware that there are now a number of markets across the city. All of these markets are charging more than the fee for St George's. For example, Folktown Markets charges £50 per stall per day, and Fine &amp; Dandy Market charges £25 per stall per day.</p>
3.22	<p>It is proposed that the stall fee is increased to £16 per stall per day, with effect from 1 April 2018. It is also proposed that the stallage fee for hot food concessions is increased from £15 to £25 to reflect the additional costs i.e. cleaning and maintenance and its current significant investment in ventilation units.</p>
3.23	<p><u>Financial and Resource Implications</u></p> <ul style="list-style-type: none"> <li>• Christmas and Spring Continental Markets The Market operator, MPE, makes a payment to the Council for the operation of the Market. This involves a flat fee and a rate per stall. They also cover all utilities and repairs to the lawn.</li> <li>• Twilight Markets A budget of £70,000 has been set aside as part of the budget estimates for 2018/19 and have been included in the cash limit agreed by Members on 10 January 2018 at SP&amp;R Committee.</li> <li>• St George's Market Stall Increases This increase of £1 per stall per day, from £15 to £16, will generate an annual increase of approximately £24,100, the increase of stallage fees for hot food concessions from £15 to £25 will generate an additional £30,600, the increased income will be used to offset the running costs of the Market and have been already factored into the Revenue Estimates for 2018 / 2019 and have been included in the cash limit agreed by Members at its meeting on 10 January 2018.</li> </ul> <p><u>Equality and Good Relations Implications</u></p>
3.24	<p>There are no specific equality or good relations implications.</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	None