
REVITALISATION OF COVERED MARKETS

Responsible Cabinet Member - Councillor John Williams, Economy Portfolio
Responsible Director - Cliff Brown, Director of Community Services

SUMMARY REPORT

Purpose of Report

1. To present the work completed to date on examining options to develop a project to facilitate the revitalisation of the Covered Markets.

Summary

2. In 2006 King Sturge were appointed to examine the covered and open markets. Having regard to the recommendations of the subsequent report much progress has been made with the open markets.
3. The covered market issues are more difficult to resolve. The key challenges are to secure the long term viability of the covered market building as a market-retailing outlet.
4. In recognition the new vision for the market together with the buildings that operate within it, securing the long term viability will encompass the potential requirement of work to repair and improve the building to maintain and protect its fabric and also to provide modern facilities supportive of the retail function it serves (heating, lighting, ventilation, CCTV etc). In addition, following an in-street shopper survey of 406 shoppers, two thirds would like to see the market building refurbished and updated.
5. A Project Team was established to explore further the future options that may be available to enable the revitalisation. Within the scope of work, key work packages were identified. These included exploring future alternative options of governance, identifying potential sources of any required capital funding and assessing the essential and desirable physical works to the building.
6. To enable some of the work to move forward and be conclusive about the future options, Scott Wilson and Partners were engaged to assist in establishing the level of works required within two categories:
 - (a) Essential Works (works that will be required based on a set of structural surveys)
 - (b) Desirable (works that would be required in a major refurbishment facilitating a new concept and design of the markets hall).

7. At this stage, aside from the survey works carried out to the markets hall, much of the work remains aspirational. Further work will be required to establish an outline scheme and prepare thoroughly an options appraisal and full business case for the revitalisation of the market. The report estimates the approximate additional feasibility cost that would be incurred to complete the project to this stage will be £29k.
8. While further development work is required to identify the opportunities to progress the project, the indicative costs based on an early identification of the architectural and operational issues are significant at between £3.5 m and £5.4 m.
9. It may be possible to raise some of the funding for such a scheme from external funding or by a change in governance arrangements but it is highly unlikely that the scheme would be deliverable without a significant financial contribution from the Council. In this respect therefore, this aspirational project faces many challenges in terms of actually getting it to development stage in the short or even medium term given wider economic conditions.
10. It is clear however, that the project can continue to be supported along with the development work to identify opportunities to progress it.

Recommendation

11. It is recommended that:
 - (a) Members note the significant challenges in getting the project to development stage.
 - (b) Further work at a cost of £29,000 is undertaken to progress the project to an outline scheme with an options appraisal and full business case, funded from Council reserves.
 - (c) Members receive a further report once the investigations on the cost and scale of essential works is complete.
 - (d) The Town Centre Board oversees taking the project forward, including future consultation.

Reasons

12. The recommendations are supported by the following reasons:
 - (a) To secure the long term viability of the covered market building as a market-retailing outlet.
 - (b) The potential requirement of future work to repair and improve the building to maintain and protect its fabric and also to provide modern facilities supportive of the retail function it serves.

Cliff Brown
Director of Community Services

Background Papers

King Sturge Report – Darlington Markets Options Review September 2006

Steve Thompson: Extension 4529 - LF

S17 Crime and Disorder	Management of these matters is through the markets manager.
Health and Well Being	Increased access for locally produced food and sundry items.
Sustainability	Development of the covered market would ensure that markets are sustainable and contribute to the local economy.
Diversity	The markets are fully accessible to all.
Wards Affected	Central ward.
Groups Affected	Market traders-Town centre Business.
Budget and Policy Framework	This report does not recommend a change to the Council's budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	Building a stronger economy that brings benefits for local people.

MAIN REPORT

Background

13. The covered market was built in 1863. It underwent a substantial refurbishment in the late 1970s, which provided the existing retail layout with fixed wooden stalls standing on raised concrete plinths. A number of traders benefit from basement rooms providing storage and preparation areas. The covered market building also houses the shop units accessed from Tubwell Row, West Row and East Row, which form part of the market complex.
14. It is generally agreed that there is now a need to consider a further refurbishment of the covered market. The stall layout is dated and inflexible and the market looks tired and gloomy.

Information and Analysis

15. In 2006 King Sturge were appointed to examine the covered and open markets. Since then the Feethams and Markets Working Group has taken the lead in developing markets issues.
16. From this previous research, it is well documented that the growth in supermarket usage, out of town retail parks and central shopping centres has given the consumer far more choice. Simultaneously during this era of retail diversification and enhancement, markets across the UK have experienced a long period of little or no investment.
17. Having due regard to this in Darlington, it is seen that through a renewal of its heritage trading infrastructure and its customer offer, the markets will continue to enable the primary use of the town's unique and historic markets building and take location and presentational advantage of the new pedestrian heart environment.
18. By facilitating the development of the high quality physical environment, this will contribute to achieving the goals of the town centre business plan.
19. Much progress has been made with the open markets. The covered market issues are more difficult to resolve. The key challenges are:
 - (a) To secure the long term viability of the covered market building as a market-retailing outlet. This encompasses work in recognition of the new vision for the market and the buildings that operate within it.
 - (b) To repair and improve the building to maintain and protect its fabric and to provide modern facilities supportive of the retail function it serves (heating, lighting, ventilation, CCTV etc.)
20. A further report on the revitalisation of the covered market was presented to the Feethams and Markets Working Group at its meeting on 1 October 2007. The Group clearly expressed the following wishes:
 - (a) That the building continues to operate as a market, rather than any other form of retail or other use.

- (b) That if the Council is unable to resource the work itself, that a Trust be examined as the preferred route.
 - (c) That the market should not be put into the private sector.
21. Subsequently, a Project Team was established to explore further the future options that may be available to enable the revitalisation. Within the scope of work, key work packages were identified. These were in relation to exploring future alternative options of governance, identifying potential sources of any required capital funding and assess the essential and desirable physical works to the building.

Project Work - To Date

22. The overarching vision to emerge from the work carried out to date is:

Darlington markets will provide a refreshed markets infrastructure that is distinctly attractive to all sectors of society with a high quality, speciality customer offer that is regularly accessible to all.

The Future Options of Governance Arrangements

23. One of the most vital issues is how the vision of the markets can be delivered. An assessment of potential alternative governance arrangements has identified there is a vastly different range of options for financing a markets development and managing that process. The future mechanism of governance may, for instance, determine what level of resources or financial instruments may be available to facilitate the revitalisation project.
24. Taking these issues into account and the views of the Feethams and Markets Working Group, there are two options being further explored, which are:
- (a) Remaining in Darlington Borough Council's control and utilising current resources and public sector mechanisms for accessing new funds.
 - (b) Transferring the markets to a 'not for profit' sector body, such as a Market Trust.
25. It has been established in other local authority areas, that a Trust is a viable option for operating markets outside of the local authority control, but without handing over control to a private enterprise. There are a number of different types of trust and the legal complexity of each option is currently the subject of further work. However, in short this could be a mechanism by which to meet the local agenda for community empowerment whilst opening up new potential sources of funding. The creation of a Trust while instigating a new method of control, can equally maintain the Council's and other stakeholders major level of influence on the operation via the constitution of the Board.

Markets Funding Options

26. Opportunities exist to secure external funding to develop the market. However, the amount and sources of funding will depend on the proposed works and "governance arrangements" referred to above of the market in the future. In this respect, the funding availability depends ultimately on the scheme.

27. There are also a number of additional factors that will influence the levels of funding that may be available (other than governance) and it will ultimately depend on several factors including whether the capital works focus on restoration or modernisation and what additional activities are brought into the market, such as training and/or business creation and development and/or tourism-related activity. Additionally, an essential pre requisite to a successful refurbishment of the market buildings will be the development of an offer that is both commercially strong as well as attractive. The design will therefore need to create retail spaces that will be attractive to the sort of quality shops that we want to attract.
28. Contact has been made with the Development Trusts Association (DTA) who has offered to provide advice and share information on similar schemes that their members are developing. DTA lead nationally on the Community Assets Programme, working with BIG lottery to support the development of community assets by Third Sector organisations. It is proposed to use the DTA to identify good practice, to develop a network and to help source funding for the market. A brief summary of the current potential funding opportunities is as follows:
- (a) **National Lottery - Heritage Lottery Fund - up to £250,000** - This funding is for projects relating to the national, regional or local heritage of the UK which aim to conserve and enhance diverse heritage. The focus would have to be on the traditional elements of the market and any capital funding would need to prioritise restoration rather than enhancements. The project would also need to evidence how it opens up access to and helps people to learn about their heritage, a programme of events/activities relating to the project are usually required.
 - (b) **ERDF - Space for Business** - There is scope to develop part of the market as a “nurturing ground” for new business. The focus would have to be non-retail and could be creative or cultural focus. This could be led by the Council but would only form a small part of a bigger scheme and there would have to be 50% match funding from another source.
 - (c) **Heritage Lottery Fund – Townscape Heritage - up to £2m** - This fund supports schemes, led by partnerships of local, regional and national interests that aim to regenerate the conservation areas across the United Kingdom. Eligible activities include structural and external repair of historic buildings that are still being used and the repair/conversion for new uses of vacant or partly-used historic buildings. A funding bid would have to be for a group of buildings in a conservation area, not just one building.
 - (d) **One North East/Single Programme Funding** - There may be scope to secure funding for the covered market from One North East for aspects that relate to either business development and/or tourism. The eligibility and level of potential funding as referred to above would depend on the proposed re-development scheme.
 - (e) **English Heritage - Area Partnership Funding** - This would focus on preservation of built environment but will support heritage based regeneration.
 - (f) **Charitable Trusts** - There are a number of charitable trusts that may support a scheme led by a not-for-profit organisation, such as a market trust.

29. Whilst these funding sources can be further explored, it is unlikely that a scheme of re-development or restoration will be successful in establishing the total capital requirement entirely from external sources.

Essential and Desirable Physical Works to the Building

30. In recognition that to enable the work to move forward and be conclusive about the future options, Scott Wilson and Partners were engaged to assist in establishing the level of works required within two categories:
 - (a) Essential Works (works that will be required based on a set of structural surveys)
 - (b) Desirable (works that would be required in a major refurbishment facilitating a new concept and design of the markets hall).
31. **Essential Works** - This work has consisted of commissioning a number of building surveys comprising building structural survey, mechanical and electrical survey, drainage survey and DDA appraisal.
32. The general findings of these inspections are that the market building is in a reasonable structural condition. However, there is evidence to confirm that localised deterioration has taken place in some elements of the structure that will require further investigation and remedial action.
33. In addition, 'Free Flow' were commissioned to carry out a drainage survey. All accessible drains within the curtilage of the Covered Market were surveyed by camera. For the main part, apart from minor silting, the drains were found to be free flowing and free from major defects. One area of drain adjacent to Tubwell Row however, was impassable and considered blocked due to possible subsidence/collapse and which will require further investigation/excavation.
34. It is identified that much of the existing electrical services are at the end of their design life and that it is recommended that these areas be given a major refurbishment with complete new electrical services to comply with current British and European standards and the DDA.
35. Further work is ongoing following the completion of the survey to establish both the priorities of potential works contained therein together with the estimated costs. This will establish, should a full refurbishment of the markets hall be unfeasible, any potential capital pressures relating to the existing fabric of the building.

Desirable Works - New Concept and Design

36. Following a series of site visits, staff meetings and pending a further, more comprehensive, consultation process, the following have been identified as the main architectural/operational issues to be addressed within any proposal of redevelopment.

Ease of Access and Full DDA Compliance

37. The existing market is only DDA accessible from two of the three main entrances from West Row and the current ramped access from Tubwell Row is not to current DDA standards.
38. There is no DDA access from either the Market Square or Houndgate.
39. The individual shop units facing West Row are similarly restricted and do not have DDA compliant stair or lift access to their first floor areas. There is no lift access serving all of the building and additionally there is no DDA access to the 'Old Town Hall' element.

Visibility

40. In addition to the poor DDA access, the visual linkages from street and market level into the building are very poor. From West Row there is limited visual penetration through the frontage shops into the interior, resulting in an uninviting appearance with few clues to the potential diversity that may lie within.
41. Whilst impressive, the elevation facing the Market Square has no connectivity to the Market at ground level, further hindering its ability to self-advertise as a vibrant commercial activity.
42. Due to the sloping nature of Tubwell Row and the associated ramped access in this area, this elevation is disjointed with few visual clues as to the internal use of the building. The elevation to Horsemarket is dominated by the 'old Town Hall' which has its own distinct character, which does not impact negatively on the Market.

Connectivity

43. Whilst a building of significant architectural quality and presence, occupying a prominent site within the centre of Darlington, the Covered Market in its current configuration does little to enhance connectivity between High and West Row and the Market Square.

Commercial Area

44. To take maximum benefit from all the above, it is also proposed that the available areas be rationalised to maximise the available area for market stalls as well as exploring options for related diversification.
45. The Market Square seems to be enjoying a 'revival' with the emergence of a 'street café' culture resulting in a number of new cafes and commercial activities around its perimeter. The covered market has the potential to be a key catalyst for further investment by acting as an effective link between Low and High Row and the Market Square. This potential, however, is currently hampered by the buildings lack of transparency and connectivity between these two commercial elements of the town. It is therefore anticipated that if the Covered Market could be configured to achieve this aim, both it and the town in general should reap commercial benefits.

Preliminary Illustrative Proposal

46. Scott Wilson has prepared preliminary illustrative proposals to indicate how the issues raised within the architectural appraisal might be resolved.
47. The following architectural rationale is therefore cited as one illustrative response to the challenges identified and hopefully will act as a catalyst for further debate, pending further consultations and direction from the project steering group.
48. The following commentary relates to the illustrative plans and indicative budgets in **Appendix 2**.

Visibility and Permeability from High and West Row

49. Given the DDA issues relative to level access, this can be resolved by creating a new central entrance off West Row, which can be achieved with minimal impact on the recently completed 'Pedestrian Heart' resurfacing. This central access point will provide more emphasis and inviting point of entry and will greatly improve visual penetration into the building.
50. To further alleviate DDA issues relative to pavement levels, it is proposed that the existing shop fronts are brought forward to just behind the existing columns facing 'West Row'. This will provide the opportunity to 'tidy' up this elevation (with historical precedent) and provide additional useful retail space.
51. Allied to this, the illustrative proposals suggest that the adjacent shop units facing onto West Row are similarly rationalised to both improve connectivity with High and West Row and with appropriate use of rear shutter access, increase visibility from the street into the Market Hall.

Connectivity to the Market Square

52. Once within the Market, it is felt that it is important to provide both a physical and visual link to the Market Square at the lower level. The illustrative plans show that this could be achieved by opening up a portion of the floor to provide a double height space.
53. Accessible both from the main Market Hall and at the lower level direct from the Market Square. This will also provide a mechanism for provision of a feature lift and stairs serving all levels and which will in addition further enhance the physical and visual linkage between West Row and the Market Square.
54. Provision of this linkage will negate the need for the existing external stairs, thereby providing a further opportunity to provide a feature entrance from the Market Square.
55. Removal of the existing stair also provides an opportunity to provide an external terrace to the Market Hall, further reinforcing the linkage between the indoor Market and the Market Square.

Retail Areas

56. The opening up of the floor into a double height space will impact on the area available for Market Stalls. This can be offset by introducing retail areas/stalls around the new opening at basement level. This will also present opportunities for the existing retail units facing onto the Market Square, by allowing them to relate also the double height space and the main market activities.
57. The proposed new feature lift and stairs also provides an opportunity to access additional units above the West Row shops without the need for separate individual stairs. In addition this access will allow more retail units to be formed at first floor level around three sides of the Market Hall, thereby significantly increasing the area of available retail space
58. All of the above proposals will require a rationalisation of the existing basement storage areas, but from discussions with the Market Manager, allied to the desire to improve the quality of the market environment, it is hoped this is achievable without detriment to the Market Traders.

Old Town Hall

59. The above measures will also allow release of the existing lift adjacent to the Old Town Hall to effectively be configured to provide DDA access to this building.

Market Square Toilets

60. The illustrative proposals have assumed that it would be advantageous to release the area taken up by the existing toilets for further potential retail space. Whilst dependant upon Darlington Borough Council's strategy for provision of public toilets, these could be repositioned within the Market Hall at Market Square level.

Financial Considerations to Further Progress the Project

61. At this stage, aside from the survey works carried out to the markets hall, much of the work remains aspirational. Further work will be required to establish an outline scheme and prepare thoroughly an options appraisal and full business case for the revitalisation of the market. The table overleaf identifies the approximate additional feasibility cost that would be further incurred to complete the project to this stage

New Concept and Design	Area of Work	Total Cost £
CAD Existing Drawings	From existing historical drawings	2,500
Construct Schematic Digital 3D model as design tool	From existing historical drawings	5,500
Architectural design options	Concept design and 3D visualisation	14,000
	Structural appraisal	2,000
	M&E appraisal	3,000
	Cost appraisal	2,000
	Total	29,000

62. The additional level of funding required to complete the work is not currently available within existing revenue budgets. Continuation of the project work will therefore require the additional funding resource to be released from Council reserves.

Conclusion

63. Following the establishment of the Project Team, the work to date has identified that there are clearly options that could be further explored to facilitate the development of the physical environment of the covered market. Whilst this has not been widely consulted upon, the market research and consultation with market traders has determined that this project would receive wide support.
64. This as an aspirational project that needs to achieve a step change in what the Markets offer. Such a step change will involve a commercially strong and attractive refurbishment that creates high quality retail spaces, which will attract the sort of high quality shops that will make the market successful.
65. While further development work is required to identify the opportunities to progress the project, as indicated in paragraph 55, the indicative costs of the options detailed in **Appendix 2** are significant at between £3.5 m and £5.4 m. It may be possible to raise some of the funding for such a scheme from external funding or by a change in governance arrangements but it is highly unlikely that the scheme would be deliverable without a significant financial contribution from the Council. In this respect therefore, this aspirational project faces many challenges in terms of actually getting it to development stage in the short or even medium term given wider economic conditions.
66. It is clear however, that the project can continue to be supported along with the development work to identify opportunities to progress it.

Outcome of Consultation

67. Some market research has been commissioned, the results of which are attached in **Appendix 1**. The main aim of the research was to profile current usage of the covered market, identify shoppers' views on how the market could be improved and measure support for a range of improvement options.
68. An in-street shopper survey was conducted in the town centre, canvassing the opinion of 406 shoppers.
69. The majority of shoppers (57%) supported some form of change, disagreeing with the suggestion that the market should be left as it is. Over two thirds would like to see the market building refurbished and updated (67%). Interest in speciality shops was high (58%) and almost one in two support the idea of introducing a gourmet food hall (48%). Suggestions to change the internal layout of the building either to improve access or increase the volume of businesses in the market met with less support (35% and 39% respectively), suggesting that more detailed consultation will be required at the planning stage.
70. Shoppers were also asked which products and services they would like to see in the market. Over two thirds of the products demanded by at least one in ten shoppers were food products or services. Fresh fruit and vegetables topped the list with 43% of shoppers expecting to see this offering, closely followed by a butchers (32%). The strong demand for food products would support the development of a 'food hall' concept.
71. The most popular non-food products were cards and stationery (17%), books (13%) floristry (13%) and women's clothing (11%).
72. Progress reports have been presented to the Feethams and Markets working group.