

## **APPENDIX A**

### **Executive Summary**

Source:

*Putting the Market back into Harborough*  
Quarterbridge, October 2012

## Executive Summary

Market Harborough Market Hall was designed and built in the early 1990's with limited consideration to contemporary shopping trends, resulting in a municipal building in a workable location yet underused and failing short to serve the community and adequately contribute to Council finances.

The market fails to attract more affluent and younger members of the local and regional demographic (76% A,B and C class groups) as the retail offer is below expected standards. Shoppers have been conditioned to sophisticated retailing techniques of the big 5 supermarket groups and national brands and the market needs to raise standards to compete.

Initial signs of financial fatigue are demonstrated by the year to date (August 2012 month 5 2012/13) trading accounts. Market income has stagnated whilst operating costs continue to increase resulting in a fall of 34% projected operating profit compared with the previous financial year. There are signs that the Do Nothing Scenario could prove costly within the next year or two and we suggest the current value of the asset including a restrictive covenant, as a market hall is negligible.

Once improved, the market should be promoted as one of the largest retailers in Market Harborough and operated with commensurate professionalism.

The financial accounts demonstrate the Council is controlling operational costs in line with rental income, however there is little strategic planning with respect to improving the offer for long-term sustainability.

A £600,000 capital investment to improve the fabric of the building and layout will create an attractive retail environment, the re-introduction of public toilets and re-branding should from our anecdotal experience improve the long-term viability of the market and return the capital investment in approximately 4 years.

Market traders need to improve their retailing presence and adhere to a new management regime including 6-day trading plus an antiques market every Sunday.

Traders will benefit from new leases and many new tenants will be sourced in accordance with a carefully designed tenant mix.

The outdoor market should enjoy an expanded offer and form an integral element of the new market management regime.

Harborough District Council should retain ownership of the market 2 years post development and retain the services of a professional retail market management team, following which time the market will be established and prepared for privatisation if desired.

If the Council is minded to dispose of the asset post development whilst retaining a market covenant, a freehold valuation in excess of £1M could be envisaged.