

Report of the Head of Planning & City Regeneration

Development Cabinet Advisory Committee - 21 September 2016

SWANSEA INDOOR MARKET

Purpose:	To enable Development Cabinet Advisory Committee to consider its position regarding the provision of public toilet facilities in Swansea Market.
Report Author:	Lisa Wells (City Centre Manager)
Finance Officer:	Paul Roach
Legal Officer:	Sandie Richards
Access to Services:	Phil Couch
Recommendations:	<ol style="list-style-type: none">1. Preliminary options to install toilet facilities in the Market over the short term are discounted.2. Further scoping and feasibility work are endorsed to develop a programme of works with focus on public toilets on which external funding may be sought.3. Consideration is given to how the feasibility and subsequent works may be funded and resourced in the context of the wider masterplan for the City Centre and competing priorities for funding.4. A detailed Equality Impact Assessment (EIA) will be required at the appropriate time to identify specific equalities issues associated with this project.

1. Summary

1.1 The report follows on from the presentation and verbal report that was given by the City Centre Manager to Development Cabinet Advisory Committee (CAC) on 16 March and the site meeting that subsequently took place with several members of the committee during April.

2. Background

2.1 The Market has been managed by City Centre Management, which is part of Planning and City Regeneration, since 2003.

2.2 Through stall holder rents an annual gross income is derived to the Council of just under £1.1 million approximately half of which are operating costs the majority of which are covered by the service charge element of the trader rents.

- 2.2 The Market maintains a consistent high level of occupancy of over 100 businesses. The majority of stall-holders hold ten year leases that are in the process of being renewed which will provide more robust terms and conditions to assist the Market's operational management.
- 2.4 The Market benefits from a comprehensive marketing and events programme which was acknowledged by NABMA, a national authority on markets, in awarding it the prestigious title of Britain's Best Large Indoor Market in 2015. The Market also retains Trip Advisor's seal of excellence and was recently awarded a Swansea Life Award in the category of 'Best visitor experience'.
- 2.5 The current Market building, which is Wales' largest indoor market, dates from 1961 since which it has largely been subject to piecemeal refurbishment measures. In February 2006 the sum of £755,000 was allocated to a range of improvements including upgraded entrances and improved ventilation. More recently, through capital investment and Welsh Government funding, works to replace the Market roof and upgrade the adjoining flat roof areas have been undertaken. This 16 month programme was completed in March 2016 together with new lightening protection measures all of which was undertaken whilst the Market remained open to the public.
- 2.6 The Market is a key component of the City Centre's retail offer, attracts people to the Centre in its own right and contributes to the Centre's overall appeal. The City Centre Strategic Framework recognises the popularity of the Market as a shopping venue and its importance as an outlet for local produce. According to research, the Market is regularly visited by 77 % of all City Centre visitors which also demonstrates its reliance on the overall attractiveness of the City Centre.
- 2.7 The number of visitors estimated from footfall data to be entering the Market per week is approx. 90,000. In recent months Markets across the UK are showing a declining pattern of footfall and this is reflected in the data returns for Swansea.
- 2.8 Customer profiling shows a predominantly older age group using the Market along with lower income groups.
- 2.9 Over the years there has been a shift in the Market's core business away from traditional lines such as butchery, fruit, flower and vegetable stalls, clothing and footwear to a growth in the number of places to eat, supply and services and jewellery, cosmetics and leather goods. Developing an offer that appeals to a younger demographic and new prospective traders is therefore a key objective of the Market's marketing and stall lettings strategies.
- 2.10 Whilst high levels of satisfaction have been recorded amongst Market users together with the recent achievement of 'Best visitor experience' in the Swansea Life Awards, there are clearly many areas open for improvement, ranging from its appearance through to stall layout, pedestrian circulation, the condition of the main floor, the attractiveness of the entrances and a demand for toilets. Consultation with the traders in 2014 also determined that apart from a watertight roof, public toilets and improving the entrances were their top concerns

3. Existing Toilet Provision in the Market

- 3.1 There are currently no public toilets in Swansea Market. There are however, staff toilets and separate trader male and female facilities located on the first floor. Access to these is along the Union Street perimeter by means of two separate concrete stairwells which also provide through access to the first floor offices.

- 3.2 In terms of the make-up of these facilities, the staff toilets are unisex with a single WC cubical and wash hand basin. The male trader toilets, the dimensions of which are 4.1m x 3.8m x 2.8m high, have 2 wash hand basins, 2 WC cubicles and 4 urinals and the female toilets, measuring 5.75m x 4.3m x 2.8m high, include 3 wash hand basis and 5 WC cubicles.
- 3.3 A condition survey of the trader toilets was completed in March 2016. Whilst the appearance of these is acknowledged as being somewhat outdated, colleagues in Corporate Building Services have reported that these are generally of a reasonable standard of maintenance however a number of minor repairs and cosmetic improvements are needed the value of which is approximately £10,500. In addition there is currently no disabled toilet provision.
- 3.4 At present the trader facilities can only be accessed via one of two concrete stairwells. To achieve compliance with the Equality Act 2010 as well as best practice in designing for the disabled, converting the trader toilets for public use would need to provide access for disabled customers to the first floor. Installing a customer lift would address this however this would involve extensive and disruptive building works and significant costs.

4. Existing City Centre Toilet Facilities

- 4.1 Within the City Centre, Council run public toilets on Caer Street (near Castle Square), The Kingsway (adjoining the MSCP) and College Street (adjacent to Argos) have been closed for some time due to financial pressures.
- 4.2 There are however existing Council facilities in the Bus Station for which there is a small charge of 30p as well as those on the Marina (near the barrage) which are free to use. The Railway Station on High Street, the LC, Civic Centre and National Waterfront Museum provide public toilets. There are also conveniences in the Quadrant Shopping Centre together with those within the larger stores such as Debenhams and Marks and Spencer and the local food and beverage establishments.
- 4.3 Business premises in the City Centre are encouraged by means of a small grant from Welsh Government which is administered by the Authority to provide public facilities but there has been limited take-up given mainly due to the small sums involved.
- 4.4 Information regarding the public conveniences that are available in the City Centre and across Swansea are listed on the Council's website (<http://www.swansea.gov.uk/publictoilets>) however, this does not currently include those in the Quadrant or in the City Centre businesses.

5. Historic Toilet Provision & Reinstatement

- 5.1 Historically, there were public toilets in the Market which were located in what is now 39 Union Street which is next to the Union Street entrance to the Market (opposite Burger King). Access to these was from the frontage onto Union Street and the toilets were closed in the 1970s and converted for retail use by the Authority.
- 5.2 Over the years there have been multiple occupiers and up until recently the unit had been used as a site office for the contractors delivering the roof works but has been re-let for retail on a three year term to Valley Mill, who specialise in Welsh crafts.

- 5.3 A lease exists giving the tenant exclusive possession of the unit. Whilst a standard break clause could be invoked to give notice to vacate any negotiations with the tenant would need to be carried out by Corporate Property. Equally, the tenant has invested significant sums in upgrading the unit which is attractive and well managed, is paying approx. £12k-£15k in rent to the Council per annum and the Council is also saving £29,600 per year in Business Rates and £628 per annum in BID levy.
- 5.4 Considerations from a planning policy perspective are that whilst a non retail use could be considered if it had an attractive and active frontage tantamount to a shop front, for example a coffee shop – any use that deadened the frontage at such a key location, such as a public toilet, would not be supported.
- 5.5 An initial survey of 39 Union Street to assess the feasibility of reinstating the toilets, including outline costs and the practical and legislative requirements, has been undertaken by Corporate Building Services earlier in the year. Whilst the survey at this stage was high level and further investigation would be required, the findings show that the unit has existing drainage and waste outlet systems and its overall size of 57 square metres appears to be conducive to use as a public convenience in line with the Equality Act 2010 and access criteria.
- 5.6 Reinstatement from the street level from Union Street would be the most cost-effective method however this would derive little benefit to the Market. Building in access from within the Market would however be more expensive and disruptive.
- 5.7 High level costs for reinstating the toilets with access from within the Market are estimated at approximately £142,000.00; however, this would need to be subject to further surveys and contingencies for encountering any unknown variables.
- 5.8 There is no budget currently available to undertake the works as set out in paragraph 5.7.

6. Stall Conversion

- 6.1 The option of converting an existing stall or series of stalls for public toilets has been considered.
- 6.2 Focus first has been given to the potential use of the 3 stalls which are currently vacant. Due mainly to their size and location these are not however suitable.
- 6.3 The Market Lease allows for re-development and notice could be issued to existing tenants to vacate.
- 6.4 Initially two sites located on different sides of the perimeter of the Market have been identified, as per the plan below, as potential options each of which take in several existing businesses. These options reflect use of stalls which historically have been more difficult to let and are located in quieter areas.

SWANSEA MARKET **MARCHNAD ABERTAWA**



6.5 The loss of retail space and annual rental income to the Council has been assessed and is set out in the table below. The latter would also be subject to Business Rates which are paid for direct by each tenant at present (where applicable).

Stall Affected	Current Use	Combined Annual Rent (approx.)	Combined Floor Space (approx.)
Option 1 - north-west corner			
Stall 14	Console Action	£16,700	458sqft
Stall 15	Thai Massage		
Option 2 – south-west corner			
Stall 59	Smiles Photography Studio	£26,000	570sqft
Stall 60	Get Fresh		
Stall 61	D. Capus Pet Food		

6.6 The ethics and reputational issues associated with evicting small businesses, some of whom have been long term tenants, is a key consideration for the Council as landlord and advocate of local business development and entrepreneurialism.

7. Management & Maintenance Responsibilities

7.1 The management, maintenance and operating costs associated with providing additional toilet facilities as an ongoing revenue obligation has been considered.

- 7.2 Based on the model operated at the Bus Station, the approximate income derived annually from the 30p charge is £33,400.
- 7.3 The toilets which are open seven days a week between 05.00 and 23.30 are staffed by 6 staff on a rota basis. The main operating cost is therefore for staff the budget for which is £147,000 per annum which excludes any agency related costs to cover sickness etc. General costs for consumables and maintenance are also an expense however these figures are not available at present.
- 7.4 Options to charge customers for use of the toilets and/or to recover the costs through the service charge element of the stall rents paid for by the Market traders are among the measures that would need to be explored on progress of a scheme.

8. Views of Market Traders

- 8.1 Informal feedback suggest that there is general support from the Market traders for public toilets in the Market on the basis that this will increase footfall and raise the profile of the facility.
- 8.2 In real terms, whilst shoppers' dwell time may increase marginally, it is subjective that public toilets would make a significant difference to the vitality of the Market particularly given that the locations under consideration are close to the entrances.
- 8.3 Prior to the occupation of 39 Union Street by Valley Mill, preference was being expressed by the Market traders for reinstatement of the facilities on Union Street but with access from within the Market. More recently views have been received for converting use of the south west corner of the Market (Option 2 above).
- 8.4 Formal consultation with the traders and other key stake-holders would be required to fully assess the appetite for public toilets and feasible options. Equally, gaining a better understanding of the potential economic impact of the proposal will inform a fuller assessment of costs versus benefits.

9. CAC Site Visit

- 9.1 Members of CAC were invited to attend a site visit of the Market on 18 April 2016 to review the options for toilet installation as set out above.
- 9.2 The proposal for converting the existing trader toilets was discounted on grounds of access and the substantive and costly building works given the current access restrictions.
- 9.3 Reinstatement of 39 Union Street was rejected on the basis of undermining the Council's strategy to promote retail uses in the City Centre 'core'. Its successful occupation by Valley Mill was also considered in terms of its positive impact on the appearance of the public realm along with the lettings income and Business Rates relief being derived.
- 9.4 Concern was expressed by committee members about giving existing traders notice to relinquish and convert their stalls as these are up and running small businesses some of whom have been long serving tenants.
- 9.5 During the meeting the group endorsed that an alternative approach be developed to progress public toilets within the Market and that this be considered in the context of the wider regeneration strategy for the Market and the City Centre as a whole.

10. Market Regeneration Strategy

- 10.1 Given its age and the issue of persistent leaks, the replacement of the Market roof was prioritised by Members in 2013 as Phase 1 of a programme of refurbishment on the basis that the remaining residual sums be allocated to other priorities once there was a full assessment of costs.
- 10.2 In order to progress this, a Feasibility Study Report was undertaken by architectural regeneration specialists The Urbanists.
- 10.3 This work was completed in May 2015 and provides a basic high level framework for the long term development of the Market which recognises the role of public toilets as part of a programme of improvements.
- 10.4 The Study proposes substantive and exciting changes to the entrances and layout to modernise and future-proof the Market for years to come, reinforce its place as a retail destination and ensure its connectivity with the extensive regeneration plans for the City Centre.
- 10.5 High level costs have been provided by The Urbanists the total value of which is estimated at £6 million. Given the Council's financial situation, there is no money available from Council sources and significant external funding will therefore be needed to deliver this programme.
- 10.6 The Council's allocated budget for the roof works was utilised as match funding to secure EU funds for the total cost of the roof works. The EU funding secured was significant, such that a residual of match funding remained (£390,000) on completion of the roof project. This residual budget was subject to a FPR7 report where Cabinet agreed in March 2016 to ring-fenced it as match funding to support the wider City Centre regeneration programme to deliver the Council's Corporate Priority – Creating a Vibrant City and Economy.
- 10.7 At present there is no eligible external funding available to further the Market scheme however there is hope that further phases of Welsh Government VVP funding and/or European streams may be eligible, the latter of which will however be subject to Brexit negotiations.
- 10.8 There is also the opportunity to work with United Bank of Switzerland (UBS), who own the retail units surrounding the Market, to explore options to develop a joint venture. Initial discussions have taken place with UBS several months ago who have requested further detail.
- 10.9 Following on from the initial Feasibility Study, in order to be able to capitalise on funding opportunities as these become available and to progress a dialogue with UBS, further work is required to develop in more detail the outline design, costs and phasing of the proposed Market development programme and with particular reference to the provision of public toilets.
- 10.10 Whilst the Urbanists undertook the original Feasibility Study, any subsequent work would be subject to the development of a brief and tender process.
- 10.11 Cost estimates for this type of consultancy service are estimated at between £25,000 to £45,000 a budget for which will need to be considered.

10.12 The ability of Council officers to appropriately resource this project in the context of the significant development programme for the City Centre being progressed at the moment is a further consideration.

11. Conclusion

11.1 There is a political and public will to install public toilets in the Market. Various options to install such over the short term have been assessed and subsequently discounted on various practical, ethical and financial grounds.

11.2 A longer term approach is favoured whereby toilets are progressed in the context of an overall masterplan for the Market which will need to be subject to further feasibility work to inform potential phasing and the development of external funding opportunities.

11.2 Competition for funding and resources to support the feasibility and any follow-on works will be subject to competing priorities and a decision by Cabinet given the extensive regeneration programme being brought forward for the City Centre.

12. Recommendations

12.1 The following recommendations are provided to CAC to enable a scheme to be progressed:

12.1.1 Preliminary options to install toilet facilities in the Market over the short term are discounted.

12.1.2 Further scoping and feasibility work is endorsed to develop a programme of works for the Market with focus on public toilets on which external funding may be sought.

12.1.3 Consideration is given to how the feasibility and subsequent works may be funded and resourced in the context of the wider masterplan for the City Centre and competing priorities for funding.

12.1.4 A detailed Equality Impact Assessment (EIA) will be required at the appropriate time to identify specific equalities issues associated with this project.

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