

Independent Review into the possible Future Market Management Models for Seven Sisters Market



Foreword



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Markets can be a critical component of any town centre, supporting local enterprise and boosting employment. Markets provide many benefits for communities and a positive impact on the character of an area as well as promoting social and cultural cohesion. Whilst the building fabric at Wards Corner is in desperate need of renewal the question of whether a market will exist on the site has been settled. The question is not whether there will be a market but what kind of market it will be. This is the question at the heart of this report. Its purpose is to explore a range of management options available and gauge which would be most viable taking into consideration both the need for renewal and the need to ensure that markets' Licenced Traders and landowners can be co-producers in the market's future.

The Wards Corner Policy Advisory Group was established to review a way forward to the longstanding discussions regarding the management of the Seven Sisters Market at Wards Corner. This review responds to this Council's commitment that we want the Seven Sisters Market, which includes the Latin Village, to be the best it can possibly be and recognise the social value that it brings to Haringey.

Our Borough Plan has made a clear commitment to Community Wealth Building and our Business Engagement Pledge reinforces the way we want to engage with our local

stakeholder on key issues that concerns them. That is why, even though the Council itself has no ownership or management role in the market, we recognise that the status quo is not working for all parties and we are committed to engaging with all the key stakeholders to find a sustainable solution for the future management and operation of the market that enables this important trading community to thrive in the future.

The Policy Advisory Group would like to thank Roger Austin. This independent review has greatly benefited from his experience and approach in helping to start to rebuild the support and trust from key stakeholders who took part in its engagement phase. They include the markets' Licenced Traders, Market Asset Management, Grainger Plc, Transport for London, the Mayor of London, the Assembly Member for Enfield and Haringey, Council Officers and Councilors. We would like to thank them all for their involvement in the development of this review.

The Policy Advisory Groups' recommendation is for a Partnership Model will provide the right governance oversight from the all key stakeholders, which crucially include the Licenced Traders themselves. This we hope will provide a strategic blueprint of how, whatever form the final physical regeneration project takes, the Licenced Traders, landowners and other key stakeholders can all work together to co-produce an outcome that works for everyone.

Chair and Members of the Wards Corner Policy Advisory Group

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2. Executive Summary

- 2.1.1 The scope of this independent review commissioned by the Wards Corner Policy Advisory Group (PAG) was to assess the possible future management models for Seven Sisters Market
- 2.1.2 There was a synergy across all the key stakeholders to ensure the success of the market, the small businesses that make it up and the communities it serves. Though there is a difference of opinion across the stakeholders (including between some of the existing traders) about where the market should be located (existing or redeveloped site), this review did not focus on this issue or on the other reviews that have been commissioned or undertaken by the Council during 2019.
- 2.1.3 The recommendations from this review were formed in part by the criteria agreed by PAG at the start of the commission and through engagement with the key stakeholders who all have an interest in the market and its future success. It is for the key stakeholders to decide and agree which recommendations in this report they wish to develop further and/or implement.
- 2.1.4 Whilst the response rate was lower than expected in relation to selection of the preferred model(s) by some of the Licenced Traders, it is my opinion the recommended Partnership Model will help to deliver a set of benefits and more importantly assurances that all the stakeholders are seeking. These vary from a transparent governance and decision making process, a set of strong policies and a comprehensive strategy for the market, to a robust financial model that will ensure it thrives and continues for decades to come. All the documents during the review process were issued in both English and Spanish, including some of the correspondence. A translator was also provided during the engagement phase to facilitate discussions with the Licenced Traders.
- 2.1.5 The management and operational vehicle that is being recommended by the review for Seven Sisters Market is the Partnership Model. This is a hybrid model that combines the benefits of an operator model with an extra layer of oversight from the key stakeholders. Owing to the recent history and some of the divisions that have been created by the regeneration proposals for the existing market site, there is a real need for all the key stakeholders to work collaboratively and be part of the solution as opposed to being on the fringes. Based on the particular circumstances Seven Sisters Market finds itself in relating to redevelopment proposal for the existing market site, the legal challenges that have been brought against the Planning and CPO decisions and, the divisions these have caused between some Licenced Traders and between some key stakeholders, it is vitally important for the key stakeholders to come together and develop the model further to suit their combined requirements and aspirations.

- 2.1.6 Apart from the Operator Model, the Partnership Model , can be implemented within required timescales and could be applied to any of the possible market locations, including the current Wards Corner venue. This hybrid brings with it the expertise, knowledge base and resources that good operators with a proven track record can provide. Coupled with the additional oversight from the Board this will result in a highly effective solution that will address most of the key stakeholders' issues, priorities and aspirations.
- 2.1.7 The other top scoring models could be developed should these be preferred by the key stakeholders. This review is designed to provide a steer on a viable and realistic possible way forward but recognises that other models have many benefits too. However, whilst these have not been discounted, they do not seem applicable based on some of the parameters that were established at the start of review, namely timescales for their set up and implementation. Apart from the Operator model the other four models would take at least 12 months' planning before they could start to operate.
- 2.1.8 Along with the Partnership model, other recommendations have been made as part of this review in relation to the market and its current and future operation. It is acknowledged that these recommendations will require approval from some of the key stakeholders in order to be delivered.
- 2.1.9 Finally, it is hoped that this review is accepted for what it set out to achieve; that is finding a model that would support the market and its Licenced Traders by providing a solution which meets the ambitions of the key stakeholders and those that have come to rely on it as not just a place of commerce, but, also a social space where interactions form a vital component of its unique offer within UK

3. Scope of review

3.1 Outline scope of the review and why it was commissioned

- 3.1.1 The review was commissioned by the London Borough of Haringey on behalf of the Wards Corner Policy Advisory Group (see Appendix 1) to assist the council and its key stakeholders to better understand the range of possible future management models for Seven Sisters Market that could be considered for the future operation of the market.
- 3.1.2 The scope of the review is not to make recommendations based on any particular building, rather that these models can be implemented in whichever premises the market is located in (see Appendix 1). However, the existing premises and two planning permissions (Apex House and 231-259 High Road) have been used to guide discussions with key stakeholders.
- 3.1.3 The review process and the final report was overseen by the Wards Corner Policy Advisory Group (PAG). A Terms of Reference (see Appendix 1) was agreed by PAG Members and published on the council's website along with other documents pertaining to the review.
- 3.1.4 A set of criteria that was agreed by PAG Members and published on the Council's website (see Appendix 2). This criteria will be used to evaluate the relevance of a selection of management models and be used to identify, in part, which models have the most validity in respects to the ambitions of the key stakeholders and the opportunities available to them (buildings, funding, support etc.) to help develop and facilitate these. The initial proposal was to develop a set of sub criteria with the key stakeholders, but it became apparent that this would not be the focus of the engagement and would not add further value in the determining and scoring of the various market models.
- 3.1.5 The independent consultant reported to PAG Members at key stages during the commission. However, the reporting process was undertaken to aide their understanding of the outcomes of the various discussions taking place with key stakeholders and to receive a draft report outlining the possible options for the future management of Seven Sisters Market. The draft report is to allow PAG Members to review, pose questions and seek clarification from the independent consultant in respects to the report's contents and recommendations. All key stakeholders were issued the draft report on 17th December 2019 and given the same opportunity to review, question and seek clarification from the independent consultant. Following the review by the key stakeholders, the report *may* be amended if the independent consultant feels the further relevant points relating to the management models and recommendations should be addressed by the report. All responses to the draft by key stakeholders have been recorded and appended to this final report. The amendments to the report or any comments that the independent consultant chooses not to include will be documented in

Appendix 8. The final report will be published on the Council's Wards Corner webpage.

3.1.6 All key stakeholders were invited to partake in the review. The key stakeholders are identified in section 6 of this report. Discussions with key stakeholders were recorded but will not be made public owing to various sensitivities surrounding the market. This was important to gaining trust and confidence so more in-depth discussions could be had and the perspective of the key stakeholders on several matters could be understood.

3.2 How this review is designed to be used by the key stakeholders to help inform the way forward and make decisions

3.2.1 The intention of the review and the primary purpose as to why it was commissioned was to assist all the key stakeholders in understating the most viable management options for Seven Sisters Market. The review provides recommendations which could be used by the key stakeholders to further develop the models for either piloting or implementation.

3.2.2 Initially the focus of the review was to provide a short list of options for further development by the key stakeholders. This could still happen and a decision on the proposed way forward is for the key stakeholders to make. However, the review has recommended a model that could deliver the outcomes (see scoring criteria) the key stakeholders are seeking within realistic timeframes. It is also a more pragmatic solution that would address the concerns raised by the key stakeholders, namely in respects to strong and transparent governance and market management, independence to minimise conflicts of interest and oversight of the implementation and delivery of the model and strategy for the market.

3.2.3 The independent consultant is fully aware of the complexities of implementing any model, especially owing to the fact that there are various legal and commercial constraints that need to be overcome before a model can be introduced. However, the short list of models has been recommended based on the willingness of all the key stakeholders to find the right solution for Seven Sisters Market.

3.2.4 In order for any management model to be further developed and implemented, the key stakeholders will be required to work together in an open, transparent and collaborative manner. This is essential for the process to deliver the results that most key stakeholders want to see; that is a successful market that is well managed, profitable and serves its communities (both local and wider). There is a definite need to build trust and cooperation to ensure that the best possible outcome can be achieved.

3.2.5 To reiterate, these models are not linked to any specific development, rather the three locations outlined in the Terms of Reference (existing location, temporary

location being Apex House and the permanent location being the redeveloped Wards Corner building if it proceeds). This is beyond the scope of influence this commission has. The commission is designed to provide a realistic set of options that the key stakeholders could select from, further refine, test and/or implement in the existing or future sites. What is important though is for all stakeholders to work up the preferred models with no specific site in mind in order to get the best results. The independent consultant is completely aware of the passion, commercial and social drivers that the various stakeholders have in respect to Seven Sisters Market, development and the wider regeneration ambitions for the Tottenham area. However these factors should not cloud judgements around particular models or prohibit certain discussions taking place between all stakeholders. This is essential if the best management model for Seven Sisters Market is to be collectively agreed upon and implemented.

- 3.2.6 It should be noted that lead in time required for the development and implementation of any of the models outlined in Appendix 4, including the recommended Partnership Model, will take at least eight months before it would be operational. Both the Partnership and Market Operator models are the only two that could be implemented within eight months.



4. Background

4.1.1 General

There have been a number of commitments made to Seven Sisters Market that reflect the planning permission for the redevelopment of the current market site. The s106 commitments were revised in 2017 to reflect concerns being raised primarily by the Licenced Traders about safeguarding the market's future. The s106 helped to bolster these legal commitments and provide more certainty on some issues relating to traders and their businesses.

4.1.2 The relevant s106 terms in relation to this review include (also see appendix 7):

- a) The fixed rental costs for a five year period;
- b) The additional discounts that would be applied if the redevelopment would commence. This includes:
 - three months' rent free at Apex House (temporary site); and,
 - a 30% discount on the first 18 months' rental payments (permanent site)
- c) The relocation costs being met by Grainger the provision of non-demountable fixtures and fittings and relocation and fitting of all demountable fixture and fittings;
- d) The commitment by Grainger to meet the costs of a Market Facilitator to support the Licenced Traders with any proposed move to Apex House and to the permanent new Wards Corner site for market; and,
- e) The units' sizes in terms of their floor space will be comparable with the average size of the current units at Wards Corner.

4.1.3 There is an additional commitment from the Mayor of London to provide grant funding via Transport for London totalling £284,500 for the relocation assessment and business support for Licenced Traders if the redevelopment of Ward Corner is to proceed. Detailed outputs and outcomes of how this funding should be spent have yet to be established.

4.1.4 There have been a number of reviews that have taken place in respect to Seven Sisters Market over the last 12 months. These have been commissioned and/or initiated by the Council. These include:

- a) A review of the s106 conditions and the monitoring of these;
- b) A review of the needs of the market facilitator role that will be commissioned and managed by Grainger as part of a s106 obligation; and,
- c) A review by the Housing and Regeneration Overview and Scrutiny Committee on the process and decisions relating to Wards Corner.

There may have been other reviews or investigations that the consultant was not made aware of, but those listed above are more relevant to this review. However, the commission was not to review the outcomes of these reviews, not least because they were commissioned and/or reported during the same period. Therefore, there was limited opportunity to assess and digest the

recommendations made by these reviews, but this should not impact on the validity of the recommendations outlined in this review as this is a distinct and somewhat standalone piece of work with a clearly defined scope.

- 4.1.5 However, there may be an interrelationship between all four reviews and their recommendations that will influence the next steps in relation to the market and its future management. The consultant did receive information from key stakeholders pertaining to evidence provided at or to these other reviews. However, prior to publication the consultant has not been privy to the reports or recommendations of these reviews and vice versa. This is to ensure the probity and transparency of all the reviews is not compromised nor influenced by another.

4.2 Lease arrangements

- 4.2.1 The current lease between Market Asset Management (Seven Sisters) Ltd (MAM) and London Underground Limited (LUL) was agreed in September 2015. LUL is the freeholder of the current market building and LUL is a wholly owned subsidiary of Transport for London (TfL). Correspondence and engagement in relation to Seven Sisters Market has taken place with officers from TfL who represent the interests of LUL. Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger PLC is the Guarantor for the rent and insurance, the repairing obligation (limited by a Schedule of Condition) and the reinstatement obligations at the end of the lease term.
- 4.2.2 The current lease between LUL and MAM is due to expire in September 2020. The complete details of the current lease are unknown and are not relevant to this review. However the lessee is fully responsible for the management and operation of the current market, including all the statutory requirements around Health and Safety and maintenance of the site, including the internal and external areas of the market and its 'car park'. The cost of the lease is circa £68,000 per year
- 4.2.3 It is relevant to note that previously a group of traders did approach TfL about the possibility of becoming the lessee in 2016. They developed a business case that outlined how they would meet the costs of the lease, but LUL agreed to renew the lease to MAM. The reasons for this decision were explained by TfL, namely that across its estate, rather than chasing speculative income, it tries to support existing tenants by giving them the opportunity to renew their lease. TfL also explained that any tenants across its estate must also be able to demonstrate the required financial and operational standing.
- 4.2.4 The proposed lease arrangements for Apex House are unknown. The consultant has only been advised that draft Heads of Terms have been discussed between Grainger and MAM. However, Grainger has confirmed that no lease agreement for Apex House has been finalised nor has any decision been made in respect to the lease or the lessee for Apex House. There is a view that, should the market

move from Apex House, the leaseholder will then secure the lease for the permanent market if Wards Corner is redeveloped.

4.2.5 The cost of the lease between the market operator and Grainger for the first five years for both Apex House and the permanent site for the market are unknown. It is assumed the cost of the lease for these sites will be based on the combined total income the market could attract on an annual basis (minus the discounts listed in the s106) less operator deductions/ costs. Based on 100% occupancy, Grainger has confirmed that this is estimated at £1,870,730 (excluding VAT) over the five-year period (i.e. average of £374k per annum). Grainger has confirmed that they are willing to consider a turnover rent for the market operator lease of 20% of annual income (i.e. circa £75k per annum), as a starting point for the first 5 years of the market trading. This assumption is based on the fact that there would be very little opportunity for the lessee to make further income over and above what is listed in the s106 and owing to the permitted size of market in both locations. Once the terms of the lease have been negotiated and agreed with the market operator, it is recommended that all the Licenced Traders are advised by the market operator as to the mechanism they will adopt for any rent reviews post the first five years of trading. This will at least allow all the Licenced Traders enough time to start to prepare for any increase and incorporate this into their business plans.

4.2.6 Grainger estimate that the fit-out costs for both Apex House and the permanent home are at £110 per square foot for ground floor space and, £65 per square foot at mezzanine level (this is only applicable to Apex House). The total cost of the fit out for both locations based on a total floor space of 23,742 square feet is £2.46 million.

4.3 Market Licences

4.3.1 There are currently 58 units (excluding the car wash in the car park) that are leased to 35 Licenced Traders. Some traders have more than one unit but the majority just occupy one. It should be noted that while Seven Sisters Market is called a market, it does not operate under a licencing legislation like other indoor and outdoor markets. Traders are granted a licence to occupy and trade by MAM. This is a property transaction as opposed to a licencing arrangement.

4.3.2 The licence has a set of conditions that traders are obligated to comply with, similar to the conditions of a street trading licence. Whilst traders of licenced units are effectively tenants (they have enclosed units that do not need to be removed or dismantled outside trading hours), they do not benefit from protection that is usually afforded to tenancies that fall within 1954 Landlord and Tenancy Act and/or street market legislation. Traders' licences are renewable annually, though the operator reserves the right not to renew the licence. They are not required to provide a reason for this and, this cannot be challenged by the Licenced Trader.

- 4.3.3 Currently there are no defined rental costs per unit or size of unit. Traders, depending on their licence arrangements with MAM, pay different amounts. Some of this relates to historic arrangements prior to MAM taking on the Licenced and therefore regularising this may prove difficult. However, there seems to be no set fee or formula used for the calculation rental costs of units or the leasing of floor space at the market.
- 4.3.4 A number of obligations are passed on to the Licenced Holders by MAM. This includes complying with Health and Safety requirements. MAM are responsible for managing and maintaining the communal and external areas (market signage etc.) of the market. In some cases it is not clear what is deemed communal and what is deemed commercial (i.e. within the remit of the Licenced Trader).
- 4.3.5 Some Licenced Traders have sub-let units to occupiers that are not directly licenced to MAM. According to some traders this is stifling the success of the market by not attracting new occupiers selling the types of commodities that would help to improve the range and make it a better shopping destination. Therefore the evolution of the market and its offer may be impacted by this approach with potential new traders missing out on opportunities.
- 4.3.6 The selling of units is not permitted as part of the licence conditions. There have also been some cases where Licenced Traders have sold their licence and units and have not consulted MAM. Anecdotally, it was relayed that in some circumstances licences have been sold for tens of thousands of pounds. MAM state in these circumstances they are in a difficult position as they have not been involved in the 'transaction' and say they take a pragmatic approach by offering the incoming occupiers a licence. Some traders see this activity as having a detrimental impact on the market and that greater controls need to be put in place to prevent this happening.

5. Evaluation Criteria

5.1 Evaluation criteria and why it was selected

5.1.1 The review into the possible market models for Seven Sisters Market were assessed based on the criteria agreed by the Wards Corner Policy Advisory Group. This criteria will be used to evaluate the effectiveness of the various management and operational models for Seven Sisters Market. The detail behind the criteria is appended to this review (see Appendix 2).

5.1.2 The criteria was weighted with 70% attributed to the Management and Operational effectiveness of the models and 30% to the Social Value that the models could deliver. The justification for the weighting-of the two principle criteria sets are listed below:

a) Management and Operation

In order to establish a strong foundation for any market it is essential the right management and operation model is put in place to allow this to happen. Without this the market will find it difficult to develop and grow to its full potential and good management structure and policies are the bedrock of any successful market. The principle function of a market is to provide opportunities for Licenced Holders to trade successfully and grow their businesses and provide a place where people can come and shop and enjoy the experience. This is one of the reasons why the weighting accounts 70% of the overall score.

b) Social Value

Similar to public spaces, markets are places that bring people together. If properly managed and operated, they can provide a number of additional benefits over and above their core function. The social benefits that markets can facilitate, be it encouraging entrepreneurship, creating training and skills opportunities, or a space for community activities, are additional factors which make markets successful places and interesting destinations. The social value and wider benefits a market can deliver should be encouraged wherever possible. It is recognised that social value is harder to measure or predict, especially when there is no defined strategy in place to support it. However, the emphasis is that going forward the market should look to provide further value beyond that which is just commercial. This seems to echo what Licenced Traders themselves say and is perhaps more pertinent when it caters primarily but not exclusively to a South American demographic that may be underrepresented in terms of retail and leisure activity in London. This is why the weighting accounts for 30% of the overall score.

5.1.3 A traffic light grading is used as a visual guide to represent the scoring for each criteria listed in Appendix 2. Based on the agreed criteria, models that scored two thirds or more should be considered for further development by the key stakeholders. The scoring rationale that sits behind each score is appended to this note. See appendix 4.



6. Key Stakeholder Engagement

6.1 Who we have engaged and why

6.1.1 In accordance with the Terms of Reference it was agreed by the members of the Wards Corner Policy Advisory Group (PAG) that the review should prioritise the key stakeholders. Key stakeholders were defined as having a direct involvement or influence in the market and its future. Members of the PAG and some key stakeholders did suggest that the engagement should involve the local Seven Sisters community and shoppers/visitors to the market. However owing to the scope of the commission and the original timescales for reporting this was not possible. In order for feedback to be representative more resources would have been required to publicise the review. Likewise, the focus of the review is on future management models and it is unlikely that neither the local community nor shoppers/visitors will have a particular view or interest in this specific topic.

6.1.2 The majority of information relating to the background of Seven Sisters Market is publicly accessible. The information recorded during discussions with key stakeholders that was confidential due to commercial or personal reasons will not be made public as part of this report. This approach was essential in order to gain the trust of key stakeholders and get them to be communicate openly during the review.

6.1.3 It could be argued that further engagement with other stakeholders, such as the local community, shoppers to the market etc., could or should have taken place to understand how Seven Sisters Market is seen and regarded by the local community and the people that use it regularly. However, owing to the remit and initial timescales for this review this was not possible.

6.1.4 The key stakeholders included the following:

1. Seven Sisters Traders – 35 Licenced Traders
2. Members of the Wards Corner Policy Advisory Group:
Cllr Charles Adje (Chair) and Cabinet Member for Finance and Strategic Regeneration
Cllr John Beven, Northumberland Park Ward Member
Cllr Makbule Gunes, Tottenham Green Ward Member and Deputy Cabinet Member for Women and Equalities
Cllr Mike Hakata, St Ann’s Ward Member
Cllr Preston Tabios, Tottenham Green Ward Member
3. Elspeth Miller, Head of Property Management, Transport for London:
Freeholder of the Ward Corner Building including the market
4. Joanna Daly, Senior Property Manager, Transport for London: as above

5. Jonathan Kiddle, Senior Development Manager, Grainger Plc: Freeholder for Apex House, Development Partner (TfL) for the Wards Corner site and Guarantor for the Market Asset Management lease
6. Jonathan Owen, Director, Market Asset Management Ltd: Current lessee and operator of Seven Sisters Market
7. James Murray, Deputy Mayor for Housing and Residential Development, Greater London Authority
8. Jules Pipe – Deputy Mayor for Planning, Regeneration and Skills, Greater London Authority
9. David Lammy MP - MP for Tottenham
10. Joanne McCartney – London Assembly Member for Enfield and Haringey
11. London Borough of Haringey:
 - Peter O’ Brien, Assistant Director of Regeneration
 - Toussainte Reba, Area Regeneration Manager (Tottenham)
 - Keith Trotter, Tottenham Town Centre Growth Manager
 - Steve Carr, Interim Assistant Director of Economic Development, Growth and Strategic Property
 - Emma Williamson, Assistant Director, Planning
 - Fortune Gumbo, Team Leader, Planning Enforcement
 - Neil Taylor, CPO Project Manager
 - Joanna Kromidias, Senior Property and Regeneration Lawyer.

6.1.5 The consultant undertaking this review has met with all the key stakeholders listed above, except for the local MP for Tottenham and the London Assembly Member for Enfield and Haringey. Whilst engagement with all the key stakeholders would have been preferable, the local MP and the Assembly Member may be more interested in responding to the draft final report as opposed to partaking in the review itself. A full response was received from London Assembly Member for Enfield and Haringey and was followed up by a subsequent discussion with the independent consultant on the contents of the draft report (see Appendix 8).

6.1.6 The review does not focus on claims against any one individual or organisations across the key stakeholder group. This is because no claims could be substantiated and it is not the remit of this review to investigate particular incidences or issues between the key stakeholders. However, the background and recent history experienced by the stakeholder groups is useful in helping to better understand the context of the current management model and its overall effectiveness.

6.1.7 All the documents during the review process were issued in both English and Spanish, including some of the correspondence. A translator was also provided during the engagement phase to facilitate discussions with the Licenced Traders.

6.2 Key Stakeholder Synergies

6.2.1 Some synergies were identified across all the key stakeholders who took part in the engagement phase of the review. They all want Seven Sisters Market to remain as part of the local Tottenham offer and agreed that it is a positive addition to the existing high street offer. Stakeholders recognised that the Licenced Traders and their businesses contribute to the local economy of the area. There was also a recognition that the market plays an important role in supporting small businesses to develop and grow. All stakeholders felt that the market has always been an important place where immigrant populations to the UK have been able to set up businesses, trading in products and services that reflect these communities. They recognised that the market was a focal point predominately for the Latin American community and that effective management and promotion are key factors to its future success.

6.3 Licenced Traders:

6.3.1 Licenced Traders were contacted by the consultant to partake in an in-depth interview to discuss a range of topics relating to their business, the current market and its management, their understanding of the proposals for Apex House and their aspirations for the future. The estimated cost-of taking a unit at Apex House was discussed to get the Licenced Traders' understanding of its affordability based on existing rates. Much of this information will remain confidential but the key themes that emerged are appended to this report (see appendix 5).

6.3.2 The consultant met with 23 of the 35 Licenced Traders and one trader that was sub-letting from a Licenced Trader. On occasion some campaigners or professionals representing some traders would attend these meetings.

6.3.3 The interviews with Licenced Traders revealed that there are two distinct perspectives in respects to the market and the future. One group is optimistic and relatively positive about a potential move to Apex House, whilst the other group sees the value in making the existing premises a success. Whilst these differences have caused some tension within the trader community, all have a common shared agenda to make their business and the market as successful as they can possibly be.

6.3.4 Of the 23 Licenced Traders that the consultant met, 14 were supportive of a move to Apex House, whilst six were not supportive and wanted to remain in the existing location, and another three were undecided. The latter were amenable to the move but this would be based on receiving a set of assurances that ranged from ensuring the market was sufficiently promoted to, ensuring their customers knew where the market was located, to understanding which unit they would likely get.

- 6.3.5 The interviews did reveal some common themes across all the traders that responded. Namely they were concerned by the length of time and the approach taken by the existing operator to resolve some long-standing issues regarding the internal and external maintenance of the market. They felt that there has been a distinct lack of investment to improve the look and feel of the current market and this was having a negative impact on footfall. Some did recognise that the current leaseholder had invested in making improvements, namely to the electricity supply to traders' units.
- 6.3.6 The majority of the traders interviewed believed that either the management or investment in the current market was lacking. It should be noted that the use of the term 'management' for the purposes relates how issues and priorities are managed and not the on-site staff and management team. There were concerns and frustrations relayed around the lack of general maintenance of the communal areas and facilities (i.e. traders toilets), lack of promotion and marketing of the market and its offer, the health and safety management and general personal safety owing to anti-social behaviour, especially in the rear car park and at the front of the market building.
- 6.3.7 The most prominent opinion expressed by the Licenced Traders was the level of anti-social behaviour and general feeling of safety. Many said this was the one overriding issue that has not been sufficiently dealt with and this was having a detrimental impact on trade and impression of the market. It should be noted this was also seen as an issue outside the market which is not in the control of the existing market operator. The car park was seen as a particular problem and traders felt proactive management and security was needed to address these issues.
- 6.3.8 These issues have resulted in a general feeling from Licenced Traders that the current operator is more interested in making money from the traders than investing in the market to make it a success. It should be noted that some Licenced Traders did not have any issues with the market management staff, but they did with the way the building was managed, maintained and promoted.
- 6.3.9 The Licenced Traders were supportive of the suggestion to co-design and co-produce a dedicated market strategy for Seven Sisters. There was a feeling that this was currently lacking and they believed that having some form of influence over the future management and operation of the market was important, especially as this will directly impact (positively) on the success of their businesses. The Licenced Traders on the whole think that the market operation and their businesses would benefit from there being an agreed approach to the management of the market, as this would help to eliminate some of the issues they have been experiencing which they feel are detrimental to trade and the perception of the market. An agreed approach to management should encapsulates the development of a dedicated market strategy that sits alongside a set of policies and guidelines. Licenced Traders are keen to help shape how the market should be managed to ensure all parties benefit from this commercial

relationship. So it would include a range of factors from opening hours/days, marketing and promotion, commodity mix, licence conditions, dispute resolution, process for termination, appeals etc.

6.4 Market Operator

- 6.4.1 Market Asset Management (Seven Sisters) Ltd (MAM) are the business owner and leaseholder of the current market. They are responsible for the entire management and operation of the market. MAM stated that they purchased the business and lease from the previous tenant with the expectation that the existing building would be redeveloped and, that they and the Licenced Traders would be temporarily relocated to Apex House. MAM have taken a long term approach (25 years) to the leasing of the market and stated that the S106 obligations placed some onerous conditions that would need to be taken into consideration when assessing the future viability from their perspective. This is despite there being no guarantee they would secure a lease for Apex House or Wards Corner if it was to be redeveloped. Grainger and MAM have both confirmed that apart from Heads of Terms being discussed, no agreement on any future lease has been agreed.
- 6.4.2 The current lease with LUL is due to expire in September 2020. The review assumes that projected income from existing Licenced Traders is estimated to be in excess of £250,000 per annum and, the lease costs charged by TfL to MAM are approximately £63,000. MAM recently announced an increase in rental charges for traders. It should be noted that there has been no increase in unit rental costs since MAM took over the lease and some traders that are in arrears for non-payment of Licenced fees. It is unclear what the costs associated with the management and operation of the market are as these were not provided by MAM.
- 6.4.3 MAM highlighted that they have started to work up proposals in relation to design and financing for any move to Apex House and the permanent relocation should the redevelopment of Wards Corner progress. They state that they will comply with all obligations listed in the s106 that relate to the lessee. They confirmed that only Licenced Traders that hold valid licence to occupy a unit in Seven Sisters Market will be relocated to Apex House. If there are any unit vacancies following the six-month notification of the relocation to Apex House from Grainger, then MAM will consider relocating some occupiers of units that are currently sub-letting from Licenced Traders.
- 6.4.4 There is no standard rental calculation or formula used by MAM for the licensing of units within the market. Some of this is historic and commercial rates between the two parties have been inherited by the previous lease holder. More recently, MAM notified all Licenced Traders of an increase in their weekly rental fees providing one week's-notice. This raised concern with some traders about the

handling of the increase and other key stakeholders have had to intervene to negotiate different terms with MAM. Following discussions with TfL, the GLA and the Council, MAM agreed to postpone the “overdue RPI-calculated rent increases” which they state would have covered increases in the cost of utilities and their staffing. Instead MAM has agreed to absorb these costs. Since then MAM have agreed not to implement any further licence fee increases prior to the end of their current lease which is due to expire in September 2020. MAM state Licenced Traders now benefit from a discretionary 20% discount on their Licenced fee as they have not elected to charge traders VAT.

- 6.4.5 MAM outlined a number of existing issues they face in respects to the current building as well as the licence arrangements with the traders. They highlighted the investment they have made to improve the building and the market, in particular in relation to health and safety issues as this is an ongoing concern. They stated that non-compliance by Licenced Traders in respect to health and safety conditions are also dealt with. They did highlight that through the licence conditions they manage risks by passing down responsibility, where appropriate, to traders to resolve issues in accordance with their own obligations. Therefore there is a chain of responsibility from MAM to its traders.
- 6.4.6 From MAM’s perspective the main issues relate to ensuring the conditions outlined in the licence are complied with. MAM state that most Licenced Traders are not complying with their obligations under either the licence conditions or Health and Safety legislation. MAM has outlined that to date no electrical safety or fire safety or water management testing certification has been received and that unlawful sub-lettings and unapproved use of the mezzanine floor above stalls are commonplace, in breach of Health and Safety legislation and licence conditions. It is this that MAM claims are the primary sources of contention between the business owners and some of the Licenced Traders. There are some fairly long-standing, well documented issues between some of the existing traders and the market management team that are subject to previous investigations. Whilst these particular incidents are not the subject of this review there does seem to be a lack of transparency about the conditions both Licenced Traders and MAM are obligated to deliver. MAM highlighted there is one set of standard conditions for all traders and they say applied equally to all traders. They state they are entitled to suspend or terminate licences in accordance with licences conditions and statutory obligations. They maintain that the Council’s Environmental Health and Licensing teams “regularly attend site and issue closure notices”. MAM maintain these actions are taken against Licence Licenced Traders and not themselves “in recognition of the Company’s (MAM) ongoing effort to remedy such breaches.
- 6.4.7 MAM did highlight the ongoing issues relating to the unsafe electrical supplies and these have been largely addressed. They inherited a number of issues relating to

the health and safety of the market from the previous lease holder and maintain they have invested in rectifying these issues to make the market safer for its tenants and customers. This was confirmed in discussions with some traders who feel this situation has greatly improved. However, beyond these statutory health and safety requirements, the general opinion is most of improvements have been undertaken by individual traders themselves. This predominately relates to their own units, as one would expect, but the communal areas require something of a facelift. MAM has advised that by and large such works by Licenced Traders have not been authorised by the business owner and they claim most are of poor quality and fail to meet statutory electrical and fire safety standards.

- 6.4.8 Traders also raised the issue of poor maintenance and response times to resolving issues by MAM. Traders mentioned that improvements to the flooring in the communal spaces has been a topic of debate for nearly three years. MAM say they meet all H&S-related repairs without increasing rents or passing on these costs to Licenced Traders. They do maintain that for any cosmetic improvements they will seek a contribution from Licenced Traders for these works. It unclear how MAM has facilitated this process or whether Licenced Traders feel it is a joint responsibility to meet these costs. However, in similar situations tenants would usually be charged a service charge or meet these cyclical maintenance costs through the rental for of their units.
- 6.4.9 Maintenance of facilities such as the toilets, which sometimes are vandalised or damaged, have not been rectified within reasonable timeframes according to some Licenced Traders. Whilst vandalism and damage should not be the sole requirement of MAM to rectify and resolve, it seems that a process has not been put in place to manage this type of situation. For example, the toilets are solely for the use of traders and market staff, yet traders have said that the code for the facilities is known and used by non-traders during opening hours. Licenced Traders suspect it is non-traders that are causing the vandalism but that MAM is not taking measures to prevent this. Some traders say that they prefer to use facilities outside the market and therefore feel they are paying for a service that provides few benefits. MAM maintain there are full service contracts in place for janitorial services, refuse disposal, pest control, fire alarm maintenance and extinguisher provision.
- 6.4.10 There was a concern from some Licenced Traders that the sub-letting of units seems to take place with MAM doing very little to prevent or stop this even though it is not permitted. MAM estimate that amongst the 37 legitimate licensees, 12 have unlawfully sublet either their ground floor or the mezzanine floor to occupiers. That represents an estimated 18 units out of 58 that they state are unlawfully occupied. MAM recently reported that all suspected instances of illegal sub-letting they have been identified to TfL. MAM is obliged under the terms of its lease from London Underground Limited (LUL) to notify TfL and

remedy all breaches of the lease terms which include unlawful sub-lettings. MAM were requested by TfL to develop a plan to address the sub-letting issues identified and advised how to approach it (i.e. draft correspondence, a structured action plan and a programme of implementation). TfL confirmed at the time this report was published (January 2020) nothing had been received from MAM.

- 6.4.11 There are seemingly issues around the accessibility of the mezzanines in terms of building standards and regulations. MAM relayed that the use of the mezzanines is authorised for dry storage only and such use is included in the rent payable for the unit. MAM stated many of these mezzanines were unapproved alterations to the market done by some of the Licenced Traders (existing or previous) under the previous leaseholder and that they are pursuing a number of ongoing enforcement proceedings. MAM estimate that 30 of the mezzanines are being used for purposes other than storage with some of them being occupied by unlawful sub-lettings and some by lawful licensees in breach of their licence terms. Some Licenced Traders have been issued with reminders and individual notices confirming the prohibition on subletting and unauthorised alterations and use of the mezzanine since MAMSSL acquired the business in September 2015. Despite this, traders did not raise this as an impending issue they were facing and seemingly continue to pay MAM for the use of these spaces. It seems little can be done to make these safe and useable spaces for both the tenants and/or customers owing to the make-up of the building (i.e. ceiling heights).
- 6.4.12 There have been a few occasions when Licenced Traders have sold their units without the consent of MAM. This activity is prohibited but MAM relayed they generally accommodate these 'new tenants' if the 'purchaser' has a "good standing" and does not change the approved retail use of the unit. It's not clear how they determine whether Licenced Traders have a "good standing" but this approach has frustrated some Licenced Traders.
- 6.4.13 In respects to the anti-social behaviour (ASB) issues it is important to recognise that measures such as CCTV have been put in place by MAM. However, most traders interviewed felt more should be done to improve situations where there is control (i.e. on private land such as inside the market and within the car park). It is not clear what level of assistance the has received from other organisations such as the police and council to support their efforts to reduce ASB, but their statement to the Housing and Regeneration Scrutiny Committee did not highlight this to be a particular issue, nor was it an issue raised in discussions between the MAM and the independent advisor conducting the review. It's clear from discussions with other key stakeholders this is an ongoing issue and it may require a multi-stakeholder approach to resolve or inhibit this activity in or around the market'. However, MAM state ASB (in a number of forms) has been greatly reduced with better security lights, CCTV and the car park gates. They also state evidence is regularly provided to the MET Police.

6.4.14 There was a unified view from traders that more should be done to promote the market. The general feeling was that the signage outside the market could be greatly improved to make the market more visible and welcoming. If you were passing the market or coming out of the tube station (two entrances opposite the market) it would be fairly easy to miss it. The hoarding that has been decorated with the market logo has been defaced with graffiti and stickering and has not been cleaned or maintained. Coupled with this, the market website is very basic, outdated in terms of information and does not feature any of the traders who are located within the market. This seems to be a real missed opportunity and traders have stated that issues such as these give off the impression that the market is either closing or not worth visiting. It would seem that at a time where the market is going through some degree of turmoil and uncertainty owing to the potential redevelopment of the building and the recent High Court challenge against the Compulsory Purchase Order (CPO), promoting the market and its businesses would be essential. Unlike investing in the building, which may eventually be demolished, investing in the promotion of the market and its offer is something that would be beneficial regardless of whether the market stays in its current location or relocates temporarily to Apex House. One could argue that owing to the current situation the market finds itself in, investment in marketing and promotion through better street signage, a modest facelift and a better and more informative website and social media would be a commercially astute thing to be doing. MAM have maintained the proposals to better promote the market were regularly raised at Steering Group meetings but rejected by Traders representatives.

6.5 Transport for London

6.5.1 London Underground Limited (LUL) is the freeholder of the current market building. LUL is wholly owned subsidiary of Transport for London (TfL). Its property connection to the area is primarily in relation to the Tube as Seven Sisters station is located below the market with two of its main entrances positioned on the footway adjacent to the Wards Corner building. Correspondence and engagement in relation to Seven Sisters Market has taken place with officers from TfL who represent the interests of LUL.

6.5.2 In September 2015, TfL leased part of the building (including the market) to Market Asset Management (Seven Sisters) Ltd (MAM). MAM had acquired an interest in the previous lease from the former tenant. MAM is a privately-owned retail business which manages and operates the market. Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger PLC is the guarantor for the performance of some of MAM's covenants in the lease to TfL.

- 6.5.3 Like any other tenant on the TfL portfolio, MAM are able to operate their business as they considered appropriate. On acquiring its lease, MAM indicated to TfL that it felt the need to 'regularise a lot of situations' including health and safety issues at the market. TfL accepted this as part of the role MAM wanted to perform. TfL also recognised that in some cases the relationships between some traders and MAM were strained. MAM has recruited additional staff (including Spanish speaking employees) which has helped to improve some of the on-site relationships.
- 6.5.4 TfL does not commission MAM to manage a market on its behalf. There is no service contract between MAM and TfL – running markets is not part of TfL's core role. The responsibility for the management of the market rests entirely with MAM.
- 6.5.5 A small group of Licence Licenced Traders did submit a proposal to TfL in respects to-securing the lease for the market. Traders maintain that they offered TfL a higher price for the lease (circa £100K compared to the tender price of £60K). TfL rejected this option, largely because MAM was a sitting tenant (having bought its interest from the previous tenant in a private transaction). TfL has explained that, across its estate, rather than chasing speculative income, it tries to support existing tenants by giving them the opportunity to renew their lease. TfL also explained that any tenants across its estate must also be able to demonstrate the required financial and operational standing. This could have been an opportunity to develop a better relationship between TfL and the Licenced Traders and the potential of a future lease arrangement, be it in the existing building or another. However, a decision was reached by TfL to maintain the continuity of business and respect the commitment MAM has made by acquiring the lease from the previous tenant.
- 6.5.6 There have been some well documented incidents between the Directors of MAM and some of the Licenced Traders. These have been fully investigated by TfL and whilst wrongdoing was found on one occasion, the action taken by TfL to remedy this was not regarded as proportionate by the Licenced Traders who were directly affected. TfL is of the view that many of the issues raised were contractual matters between MAM and the Licenced Traders. TfL states that it has objectively assessed the issues and shared the outcome of its investigations. The fact remains that the action taken has caused, in part, divisions between the three parties to deepen.
- 6.5.7 TfL has publicly stated that Wards Corner building (LUL Freehold) has come to the end of its economic life. This means it would not be financially viable for TfL to invest in refurbishing the market or the surrounding buildings it owns based on the likely return. Whilst not stated, the existing building in terms of the use of land and air space is not efficient and therefore there is an opportunity to densify the

site to maximise its potential. TfL stated that it supported economic and social regeneration and the wider ambitions of the Council in relation to Tottenham.

- 6.5.8 TfL has stated that whilst finding a solution for the site and the market is clearly important, its primary focus is to protect its strategic asset, which is the Victoria Line and Seven Sisters Tube station that sit beneath the Wards Corner Building. TfL said that Grainger Plc is an experienced developer that had been appointed as the long leaseholder to develop a new housing and retail (including the new venue for the market) scheme for the site. Seven Sisters Regeneration Limited (subsidiary of Grainger Plc) has entered into a Development Agreement with LUL. TfL was clear that its primary role is to protect its infrastructure and meet its best value obligations in the management of its estate. With this in mind, TfL has agreed – subject to certain conditions being fulfilled – to sell the building to Grainger on a long lease of 250 years. In the lease, Grainger has made commitments to design and build the new market to exacting standard which protect the station underneath.
- 6.5.9 TfL stated there was no ‘Plan B’ in place as its preferred solution is the Grainger scheme. The reason given by TfL was the existence of the CPO and the Council’s promotion of it. TfL confirmed that it was aware of the Community Plan planning permission and said it would consider its position if Grainger decided not to proceed with the approved scheme.
- 6.5.10 One of the key concerns raised by TfL is the level of anti-social behaviour (ASB) that takes place in and around the market. Like the Licenced Traders, TfL recognises that the market and the surrounding area seems to be a target for this activity. TfL believes that it is a problem that would be difficult to resolve without significant investment, including on-site security. It is clear that this is an issue as many Licenced Traders stated that one of their priorities was better security to reduce the level of ASB being attracted into the market building and the car park at the rear, which is operated by MAM but lies outside of TfL’s ownership.

6.6 Grainger Plc

- 6.6.1 Grainger Plc are the long-leaseholder of Apex House which they purchased from the Haringey Council in September 2016 on a 250 year lease. Grainger are also the majority freeholder for the Wards Corner site, within which London Underground Limited (LUL) is the freeholder of the property which is the current location for the existing market. Grainger have a contract in place to acquire a long lease of 250 years from LUL. If the redevelopment of the site proceeds, Grainger aim to re-provide a permanent home for the market, new retail and housing. Grainger were awarded the contract for the development from London Borough of Haringey in 2004 and signed a Conditional Development Agreement with the Council in 2007.

6.6.2 Grainger state they are committed to providing a vibrant new market and working with the existing Licenced Traders. It should be noted that whilst they are the guarantor for Market Asset Management’s lease from LUL, they have no involvement in the management of the existing market. They are not involved in either the operational or strategic direction of the current market as the redevelopment of the site is and has been on hold pending the outcome of the legal process relating to the CPO.

6.6.3 Grainger have stated they do not want to be actively involved in the future management arrangements as they have no experience in operating markets. Rather they would like to offer a lease of up to 25-years to a company/organisation that would be able to deliver a successful market working closely with the Licenced Traders. This stance is not unusual for a large property owner and it is important to note that Grainger has been trying to encourage as many traders as possible to partake in discussions. There is a group of Licenced Traders who are supportive of the proposals and have been working with Grainger to highlight (mainly through social media) the benefits this will provide for the market and their businesses.

6.6.4 Grainger did set up and run the Future of Seven Sisters Steering Group which involved the council, the current operator and representatives from the Licenced Traders. These representatives reflected both traders that were for and against the redevelopment of the existing site. The group was set up to discuss operational and strategic matters relating to the existing market and the future temporary and permanent locations. However the last meeting of the steering group was December 2018. The Terms of Reference were presented at the first steering group and its principle objectives were listed as:

- *Establish a conducive relationship between Grainger and representatives of the market*
- *Provide an opportunity for representatives of the market traders to collectively input into the temporary relocation process on behalf of **all** market traders in Seven Sisters Indoor Market*
- *Provide representatives of the market traders with an opportunity to collectively agree and input into the design and layout of the new market on behalf of **all** market traders in an open and transparent forum*
- *Report on progress of the Seven Sisters Regeneration project by Grainger to market representatives and consult on relevant market related issues as appropriate; and,*
- *Provide an opportunity for representatives of the market traders to discuss management and maintenance issues with market management*

- 6.6.5 As part of their planning permission, Grainger have a number of obligations listed in the Section 106 document. These obligations were increased and more provisions were put in place for the market following the second planning permission that was granted. The first planning permission was overturned by Judicial Review following the successful challenge in 2009. These additional provisions are designed to safeguard the market, its future and that of its existing Licenced Traders. Further safeguards were secured in a variation of the S106 agreement in 2017 (current planning permission). The S106 secured capped unit rental cost for five years. Despite this, there are still concerns from some Licenced Traders who fear that following this period the rental costs could increase making it difficult or unaffordable to remain trading at the market.
- 6.6.6 Grainger have relayed that they expect the cumulative five year rental income at 90% occupancy to be £1.68 million, and at 100% occupancy £1.87 million. This allows for any discounts that are outlined in the s106, including the first three months' rent free at Apex House and, a 30% discount for the first 18 months at the permanent location for the market if the redevelopment proceeds. They also estimate the fit-out costs will be approximately £110 per square foot (23,742 sq. ft.), meaning a total capital cost of approximately £2.46 million across both the temporary and the permanent site. Grainger are willing to consider a turnover rent and other options during the first five years. It will be important to soft market test this with operators to ensure the affordability and attractiveness of the total package on offer.
- 6.6.7 After the first five years and the rental cap on units, Grainger have stated it is not within their interests to increase the cost of the lease to the point where the market would suffer and therefore traders' businesses. If Grainger could provide greater certainty and visibility on the lease arrangements, including the lease review mechanism, post the first five years this would provide an opportunity for Licenced Traders to better understand the medium term obligations they will need to plan for. Understandably, this may be hard for Grainger to provide at this stage, but certainly some possible scenarios would be useful.
- 6.6.8 Grainger are responsible for the letting of the contract for the Market Facilitator role. They were in the middle of progressing with this appointment but were asked to put this on hold to allow the council to undertake a review of the S106 obligations, including the one relating to the Market Facilitator. The council liaised with Licenced Traders to understand whether their requirements were fully being met in respects to the brief and scope for this contract. The council issued a questionnaire and met with Licenced Traders to better understand their views. The outcome and recommendations of this review have not been shared with the consultant, nor how this has been included into the final specification for the recruitment of a Market Facilitator taken place.

- 6.6.9 Despite their investment, it seems on the face of it that communication with a number of Licenced Traders has not been that effective. When Licenced Traders were interviewed as part of the engagement phase of the review, a number of them stated that they were not aware of some key details around the fixed rental costs, discounts and relocation obligations. It seems that the effectiveness of the Seven Sisters Steering Group and the communication outside of this was not as clear or effective as it could have been in helping some of the Licenced Traders understand of what had been agreed.
- 6.6.10 Grainger have stated that they are not prepared to meet any additional costs over and above those stated in the s106 obligations. They have also stated that the mezzanine levels that many units currently have will not be re-provided, but that the ground floor space will be the same as in the existing units. Licenced Traders have raised concerns about this especially, as this space is currently used as part of their business operation (i.e. storage, preparation or back office space). However, it is important to note here that the mezzanines have been created without building regulations approval or landlord's consent.

6.7 Greater London Authority

- 6.7.1 The Greater London Authority (GLA) stated they wanted to support the market and the key stakeholders in finding a solution, but saw their role as a facilitator from the fringes as opposed to actively involved. They stated the importance and role that markets have to play in supporting small businesses, local communities and high streets. They referenced the studies they have commissioned that highlight the different approaches that have been taken to the management of markets across London.
- 6.7.2 The GLA stated that they were supportive of a management solution that involved the council or one that would allow traders to have a greater say in the decision making about the market. The consultant did outline that other management models were being considered and that it was important to assess all applicable options. The GLA agreed with this approach but do see a council run market as one of their preferred solutions.
- 6.7.3 The GLA stated they were keen to understand the recommendations of this review and how their support could help to deliver them, especially in terms of the Mayoral funding that has been allocated to the market (£284.5K). This funding, which would be channelled through TfL, is to be used for a feasibility study into the possible relocation (£55K) and appropriate financial assistance and business support programme for Licenced Traders (£229.5K). This funding is conditional however on the redevelopment of the current Wards Corner site.

6.7.4 The GLA stated they were keen to see the market remain a vibrant shopping and social place and would not be supportive of it evolving into a more chain-based offer. It was important for it to keep its independent traders as this is what makes the London offer so special. Their two priorities included the need for a 'roadmap' to a viable solution that Licenced Traders could trust and that whatever was agreed was delivered and not diluted further down the line.

6.8 Haringey Council

6.8.1 The consultant met with a range of officers from Planning, Planning Enforcement, Regeneration, Property, Legal and Finance in respects to getting a greater understanding of the background to the market from the council's perspective and some of the decisions that have been made in the past. Officers were very clear as to their remit in the review and were keen to reiterate that this report was commissioned by the Policy Advisory Group (PAG) and that their involvement was to assist with any queries.

6.8.2 The majority of the meetings provided some useful background and clarification in respects to past decisions or relevant legal information pertaining to the review (i.e. S106 Agreement). However, most of the interactions with officers were to provide updates on the development of the review. Officers respected the requirement for the review to remain independent and impartial.

6.8.3 The Chief Planning Officer confirmed that the market had protected status as it was listed as an Asset of Community Value. Whilst this only provides limited protection if the asset was to be sold (which is unlikely given its connection to the strategic transport infrastructure of the Victoria Line), the officer confirmed that any change of use from market to another use would require planning permission. As the market is classed as *sui generis*, a change of use to another use class would need, as part of a full planning application evidence to prove that, amongst other things, a market was no longer viable owing to the lack of demand, rather than the cost of the floor space or land values. This in itself provides protection for this use and some degree of assurance for Licenced Traders.

6.9 Wards Corner Policy Advisory Group

6.9.1 This review was commissioned and overseen by the Policy Advisory Group consisting initially of six councillors and then five. The five councillors listed in section 6.1.4 have been involved during the last eight months. Meetings that have taken place have only involved councillors and the consultant. The consultant updated PAG Members on progress and the discussions with the key stakeholders.

- 6.9.2 This review will be endorsed by PAG Members. Like with all key stakeholders, where they disagree with any recommendations these will be documented and a response will be provided by the consultant. This schedule of responses is appended to this report and provides an audit.
- 6.9.3 PAG Members all want to see the best possible outcome for the market. While PAG Members have debated the pros and cons of the models as well as their preferred solutions for the market, they were unable to reach a firm consensus on either. Two of the three members feel that the council should support the market but are not best placed to run and manage it. This is based on their experience of the current and past management of the council's property portfolio and the fact that Haringey currently licences but does not run or manage any markets. Based on these two factors they feel the council should continue to broker a solution but not be part of the solution itself. The remaining three PAG members saw that the council should play a more hands-on role in the future of the market. This included support for being part of the solution by either taking over the lease or supporting the Licenced Traders to develop to the point where they could take on the lease and run the market (i.e. Cooperative Model). This could be done through a transition from a council run market initially (short term) to Trader run market (medium to long term), through business support and training.
- 6.9.4 PAG Members were interested in organising site visits to other markets in London to witness how they operate. They were keen to get a better understanding of what other local authorities and market operators do to support their markets and the traders, as well as hear from those who run social enterprise markets like Brixton Station Road which is run and managed by its traders.



7. Management Models

7.1.1 A total of 12 possible management models for Seven Sisters Market were evaluated and scored against the criteria agreed by the Wards Corner Policy Advisory Group. The scoring of these models and the accompanying scoring rationale are appended to this review (see appendix 4).

7.1.2 Based on the evaluation a total of six models scored more than two thirds of the total weighted score. Based on the agreed criteria, any models that scored two thirds or more should be considered for further development by the key stakeholders. The table below details the six top-scoring models.

Models	Management and Operation			Total Score	Weighted Score	Social Value			Total Score	Weighted Score	Total Weighted Score
	40%	40%	20%			40%	30%	30%			
Total	40%	40%	20%	100%	70%	40%	30%	30%	100%	30%	100%
Social Enterprise	30%	35%	15%	80%	56%	35%	25%	25%	85%	26%	82%
Cooperative	35%	30%	10%	75%	53%	35%	25%	25%	85%	26%	78%
Partnership	20%	35%	20%	75%	53%	35%	25%	25%	85%	26%	78%
Market Operator	20%	30%	20%	70%	49%	25%	15%	25%	65%	20%	69%
Arms-Length	20%	30%	15%	65%	46%	30%	20%	25%	75%	23%	68%
Local Authority	30%	30%	10%	70%	49%	20%	20%	20%	60%	18%	67%

7.1.3 The top scoring market management models were tested with the Key Stakeholders during September and October 2019. Key Stakeholders were asked to review the scoring and the scoring rationale and select the model(s) that they preferred regardless of market venue. This is because all the models could be applied to any location. The only key stakeholder that was not asked to respond to this stage of the review was the current operator owing to the potential conflict of interest. Both the Local MP and the London Assembly Member did not partake in the review. However the Local MP's office did provide a copy of a statement that was issued to the Housing and Regeneration Scrutiny Panel relating to the review into Wards Corner.

7.1.4 The table below illustrates the preferred model(s) as selected by the key stakeholders. These are based on the table above. It should be noted that two Licenced Traders stated their preferred model was a Mutual (see section 7.2) but this model did not form part of the overall evaluation for the reasons outlined in 7.2.4 and 7.2.5.

7.1.5 Key Stakeholders were told to use the scoring purely as a guide and that they could select any of the top six models. Some stakeholders rated their preferences in priority order, whilst others selected a model but did not choose to prioritise

them. This was because for some groups there was no overall consensus so they found it difficult to prioritise.

Key Stakeholder	Preferred Model(s)
Wards Corner Policy Advisory Group (made up of five councillors) – the group selected four models they were interested in but did not prioritise these	Social Enterprise Cooperative Partnership Local Authority
Grainger	1. Operator 2. Partnership 3. Social Enterprise
Transport for London	Partnership
Greater London Authority	See 7.1.6
Licensed Traders	<ul style="list-style-type: none"> • Seven voted for the Partnership model • One voted for Local Authority model • Three voted for the Mutual model (see 7.2)
Market Asset Management	n/a (see 7.1.3)

7.1.6 The response from the GLA to their preferred management model is:

7.1.7 *The Mayor is committed to doing all he can to support a vibrant and thriving market at Seven Sisters and supporting London’s markets more widely. Ensuring strong and effective leadership from all parties is vital to ensuring the market continues to succeed. The preferred management model must therefore have broad stakeholder support and strong governance in order to be successful. The GLA will support the transition to the preferred model, working collaboratively with all stakeholders to ensure that it meets the diverse needs of London’s neighbourhoods.*

7.1.8 The GLA therefore has no particular preference and believes it is for the other key stakeholders to establish their preferred model for Seven Sisters Market. The GLA will then support this transition process by collaborating with the other key stakeholders. The GLA were asked to elaborate on how they could support the process. Their response was that any support would be influenced by a range of factors and these would be determined at the time and once the preferred management model was selected by the key stakeholders.

7.1.9 TfL responded to say that their preferred model was the Partnership Model. There was a concern that the options presented would require considerable time to set up. However, they felt that the Partnership model would provide a basis for strong and effective leadership from all parties to ensure the market continues to succeed. They felt that in terms of moving forward, this model could be the most appropriate as it offers the opportunity to put in place a governance structure whilst allowing Licensed Traders to be an integral part in formulating its objectives. TfL did state that the current lease is due to expire in September 2020,

and therefore implementing a preferred option must begin as soon as possible to avoid any unnecessary transition period. In terms of the possible redevelopment of Ward Corner, TfL state they will do all they can to support the transition to the preferred model and work collaboratively with all key stakeholders to ensure the market remains a safe, inclusive venue for the whole community.

7.1.10 Grainger stated that their preferred model was the Operator led model. Owing to it being an established model with a proven track record, they believe this would provide greatest degree of assurance for the market and the Licenced Traders. They also felt from their perspective is likely to be the most financially secure in terms of any lease arrangement. However, they recognised that the Partnership model, whilst untested, would provide an opportunity to utilise their preference (market operator model) but provide an extra layer of governance and oversight that they thought might be relevant to Seven Sisters. Their concern was whether this arrangement would be attractive to potential operators if tendered. Finally, they were also interested in the Social Enterprise model but wanted a greater understanding of how this could possibly work. They recognised that this model would take longer to set up and establish itself and noted this option was not as widespread as the operator and local authority run models.

7.1.11 The Wards Corner Policy Advisory Group were unable to select a preferred model. Some Members were more interested in the Cooperative and Social Enterprise models as they felt this would provide more opportunities for the Licenced Traders to run and manage the market that they found to be an attractive proposition. Another Member felt the Council should be more involved in the management of the market going forward, whilst two Members thought the Council did not have the expertise or track record to deliver a successful market, especially as they do not manage any in the borough. Generally, Members were interested in the possibilities the Partnership model could deliver for the market and its Licenced Traders. They agreed this was a better option than the operator led model as provided more security for Licenced Traders through its governance and oversight arrangements. As a result, they selected four of the six top scoring models and have stated they may refine their choice once they better understand the recommendations and the feedback from the other key stakeholders.

7.1.12 Three Licenced Traders relayed that their preferred model was the Mutual option that was not evaluated or presented to the other key stakeholders (see section 7.2 for more details). Seven Licenced Traders stated that the Partnership model was their preference as it provided an extra layer of oversight on all aspects of the management of the market and allowed traders to be properly represented at the Board. They felt it was important that traders have a voice and voting rights going forward (see 7.4.12). Currently traders have no voting rights. Some were originally interested in the Cooperative model as concept of all the Licenced Traders having a stake in the management of the market was appealing to them. However, they felt there were potentially too many conflicts of interest that could make this unfeasible and therefore discounted it. Finally, one Licenced Trader was supportive of the Local Authority model as they regarded the Council as an

organisation that was open to greater scrutiny and one they could trust to run and manage the market in the best interests of all the traders.

- 7.1.13 The models were presented to officers of the council for their information only. This was because they were unable to influence the process through selecting their preferred models. Their role in the review is to understand the outcomes and recommendations in relation to future management models for Seven Sisters Market. It is understood that officers from the council did undertake some high-level financial modelling relating to the Local Authority run model.
- 7.1.14 Response rate from Licenced Traders in their selection their preferred models was lower than expected. Traders may have been slightly overwhelmed by the level of detail provided to them on the top scoring models but this may not be an appropriate time for some of them to make such a decision, especially when it is not clear on what the future holds in the short term in respects to the market and its location, let alone medium (5 years) to long term (beyond 5 years). Potentially, at this stage some Licenced Traders may require more answers or clarity on some of the outstanding fundamental questions before they decide which model would be best suited to their needs going forward. These questions include:
- a) Where will the market be located - its current location or Apex House?
 - b) What will the process be for selecting units if traders were to move to Apex House?
 - c) What other costs will they incur for any move over above those detailed in the S106 agreement i.e. will they need to buy new operational equipment?
 - d) What happens beyond the five years when the 'safeguards' around rental costs are lifted?
- 7.1.15 All traders stated they wanted to be involved in the development of a strategy for Seven Sisters Market. They felt that they were best placed to advise and develop a set of solutions owing to their experiences. Therefore, some Licenced Traders may want to first identify and agree the priorities for Seven Sisters Market to then allow them to decide which management model could best achieve these ambitions. Therefore, at this stage they may be less interested in the model (output) and more interested in ensuring a successful market and business (outcome). So potentially for some, selecting a model prior to developing an agreed strategy for the market is the wrong way to progress and could be a reason as to why there has been a lower response rate compared to the number of traders that were interviewed during the research stage of the review.
- 7.1.16 Coupled with this, there have been a number of reviews on different issues and matters relating to the market and some of the past, including some past decisions by the Local Planning Authority and the Secretary of State. It became evident that some Licenced Traders were understandably confused by all the reviews that were happening in parallel to each other on specific matters relating to the market. Whilst the remits of all the reviews were different, it may have been that some traders were fatigued by the level of engagement and

consultation that was taking place over this period and therefore were reluctant to be proactively involved.

- 7.1.17 Many of these questions will be answered once the market facilitator is appointed by Grainger but it seems that some of these fundamental points should have been clarified so they could have been discussed and tested with traders in order for them to identify the models they felt best suited their needs and that of the market.

7.2 Mutual Model

- 7.2.1 Post the evaluation of the 12 models, the Mutual Model was proposed by two trustees of the West Green Road and Seven Sisters Development Trust and later promoted by three members of the Traders Association, two of which were the same two trustees. The Mutual Model that was proposed is non-profit and could be financed in a number of ways including crowd funding investment, community shares, social investors, bonds, through to grants donations, loans and trading or even a combination of a number of them.

- 7.2.2 The Traders Association met on 26th September to discuss the Mutual Model and expressed the following aspirations. It is not clear how many Licenced Traders expressed these views and clarification was sought from the two Trustees:

a) A democratic organisation that also incorporates residents, suppliers, customers, neighbours etc. following the principles of the International Cooperative Alliance

b) An administrative body for all Traders to be able to make decisions, implement and invest in the market with full control over all issues

c) To take back control of the situation [market] and not relying on transient Market Operators and/or Public or Private Owners.

- 7.2.3 It was highlighted that there are similarities between the Mutual Model and the Cooperative Model, and the Mutual Model could deliver the benefits some of the Licenced Traders are seeking such as self-management, democratically elected, similar voting rights (one member, one vote) and reinvestment of any profits into the market and/or community projects.

- 7.2.4 They state that 'traders are not keen on just running or operating a market. Taking back control means for the Traders to have it as their own without encumbrances'. They see the tenure of the land and the ownership of the market as two separate purchases. The basis of a Mutual model is to provide an opportunity for a community to take control, usually through the purchasing of an asset that is under threat. The example given was of a community in Plymouth purchasing a public house that was under threat of closure. Neither is the market under threat of closure nor is the freehold for sale. A long lease could be purchased for any of the possible market locations, including the existing, but this would be a tendered opportunity. It is for the freeholders to decide which model

they would want to adopt for the leasing arrangement for the market and so far they have indicated that models along the lines of a Cooperative (and therefore one can assume a Mutual) would not be seen as their preference for Seven Sisters Market.

- 7.2.5 Currently, the three Licenced Traders that favour the Mutual Model are also supporters of the Community Plan and therefore these two *may* be intrinsically linked, whereas the top scoring models could be applied and implemented to any building-based scenario. Also, the emphasis for promoting a Mutual model seems to be predicated on the ambition of some of the Licenced Traders and the local community to take back control and essentially secure the freehold or at least the long lease of the entire building, including the market. Therefore this would rely on the current freeholder (TfL) entering into this agreement, whereas their approach is that the current development has come to the 'end of its economic life'. As a result they state that the viability around any future investment by TfL in the current building is unlikely as it cannot be justified financially. It is not clear over what period of time this relates to but their position on this matter has remained unchanged since the start of the legal challenges and one can assume this will continue.
- 7.2.6 Whilst this review is not concerned or influenced by the current planning permissions (for both schemes) or regeneration it is aware of the statement that has been made by TfL to Licenced Traders and other key stakeholders. As the purpose of the review is to propose the models that can be implemented regardless of the location (as per the agreed criteria), it seems *for now* that the Mutual Model is not applicable to *all* the possible market locations outlined in the Terms of Reference.
- 7.2.7 There is also a view that with current divisions between some of the Licenced Traders, any model at this stage should concentrate on delivering benefits for the traders and their businesses in order to ensure a successful market. Based on some of the improvements Licenced Traders want to see for the market, getting the basics right first before widening scope seems essential. A model that provides an opportunity for a number of interests to be involved in the governance and management of the market that a Mutual Model proposes would mean that voting rights will extend beyond the traders and key stakeholders and this could complicate matters. This means a range of extra views, ambitions and potentially conflicting agendas could come into play on what is already a divisive issue amongst some Licenced Traders.
- 7.2.8 Owing to the complex nature of the current situation, the uncertainty around the financing of this model and given the fact that it would open up the opportunity to others, at this stage the consultant could not recommend that a Mutual Model be shortlisted for further consideration. This is not to say it doesn't have validity, but it's unlikely to be supported by some of the existing Licenced Traders for a range of reasons. Should the Wards Corner redevelopment not proceed owing to

a successful legal challenge to the Compulsory Purchase Order (CPO) then the opportunity may arise that would make this model feasible.

7.3 Recommended Market Management Model

- 7.3.1 The initial scope of the review was to identify the top scoring models based on a set of criteria agreed with Wards Corner Policy Advisory Group. It was originally anticipated that the review would identify two or three possible models that could be further explored, developed and co-designed with the key stakeholders so that one could eventually be implemented. The development would be supported through the appointment of a Market Facilitator by Grainger.
- 7.3.2 However, it became apparent towards the end of the review that some Licenced Traders were unable to select a preferred option. The reasons for this probably stem from the fact that there is fatigue from some Licenced Traders as to the length of the uncertainty that surrounds the market and its future location. The fate of the current building and the future location for the market is still unknown as the recent decision by the High Court may be appealed. Therefore, it could be argued that some Licenced Traders are unlikely to engage in any decision making relating to the future management models until the legal process has run its course.
- 7.3.3 I have based my recommendation on the feedback and aspirations from all key stakeholders during the engagement and model selection phases of the review, as well as on the scoring reflecting the criteria agreed by PAG and, the practicalities of implementing a model in the timescales outlined in the Terms of Reference. The timescales included are:
- a) Pre-August 2020 in the current location -though this could be extended depending on legal process and/or decisions relating to the development agreement
 - b) From August 2020 which is the target date for the completion of Apex House and the relocation of temporary market location
 - c) From 2023 depending on if and when the new development for Wards Corner completed.
- 7.3.4 To reiterate, this review was always predicated on the fact that a model could be applicable to any location regardless of other circumstances. This review and its recommendations is not about promoting any particular building or development proposals. This is about finding the right solution that is pragmatic, financially sustainable and implementable within the stated timescales.
- 7.3.5 My recommendation to the Wards Corner Policy Advisory Group and the other key stakeholders is that the Partnership Model would be the most appropriate model to be taken forward in at least the short to medium term. The key

stakeholders should start preparing now to put in place a programme to allow the tender process to commence and a new lease and contract to be in place in time for either a move to Apex House (August 2020) or the expiry of the existing lease (September 2020). The seven justifications listed below should be considered by the Key Stakeholders and if taken forward should be adopted for at least the current and temporary market locations.

7.3.6 The reasons for this recommendation are:

- i) It draws on the vast experience that market operators have in running and managing successful markets that will benefit the Licenced Traders, freeholder, other leaseholders, the local community and visitors/shoppers to Seven Sisters Market;
- ii) It provides an extra layer of governance and accountability and ensures all key stakeholders take a more proactive role in the oversight of the market and its management to ensure its success. This is currently lacking with the existing market with many key stakeholders relying on others to resolve issues and find solutions to some fairly long-standing issues and factors that are impacting on the success of the market and traders' businesses;
- iii) It allows Licenced Traders to influence decisions through voting rights on matters that impact or affect the market and businesses that operate from within it;
- iv) It provides independence and reduces any conflicts of interest across all key stakeholders;
- v) It will draw on the immediate capacity and resources that a market operator has to deliver the outputs and eventual outcomes the key stakeholders collectively agree on during the development of a dedicated strategy for Seven Sisters Market;
- vi) It is likely to be more financially viable with greater access to funding that will be required for both the existing location and any future locations; and,
- vii) It could be implemented in the timescales outlined in the Terms of Reference agreed by the Policy Advisory Group.

7.4 Further Considerations

7.4.1 Below is a list of further considerations that need to be understood and developed in relation to the recommendation proposed by this independent review.

7.4.2 *Financial Model*

Whilst the financial models are likely to be different for both the current and temporary market, it is likely that financial support will be required from Transport for London as the freeholder for the current market site if this was to be retained subject to a successful legal challenge. This is because there has been a lack of investment in the market for many years. It should be noted this pre-dates the current lease holder and operator.

7.4.3 Likewise if the market was to move to Apex House for a temporary period (up to three years) then financing for the fit-out of the market over and above the conditions set out in S106 agreement is likely to require further financial support from Grainger. The fit-out costs are estimated at £1.2 million for Apex House and this would expose any SME business to financial risks that could not be recouped, owing to the rental caps placed on the leaseholder. In short, the capital costs are too high for such a short period of time and any return on investment is unlikely to be fully recouped for many years after the rental cap listed in S106 agreement is removed. This situation would impact on all models and therefore any organisation or company that takes on the management of the market.

7.4.4 **Market Strategy**

It is essential that a strong and transparent set of policies and guidelines are developed for Seven Sisters Market by the key stakeholders. This is to ensure cross party ownership for future management and operation of the market regardless of which management model is eventually agreed upon and adopted. Whilst all the key stakeholders maintain they are keen to find a solution, they all need to actively contribute so that accountability extends beyond the usual two-party relationships when it comes to managing a market. Currently this is split either between the Market Operator and the Licenced Traders or the Market Operator (day to day management and operation) and Transport for London (lease agreement). Through the Partnership Model and the development of a dedicated market strategy for Seven Sisters Market all the key stakeholders will form part of the solution.

7.4.5 All Licenced Traders that were interviewed regardless of their position on the redevelopment stated that there was a need for a dedicated market strategy to be developed and agreed to ensure the future success of the market. There is no current market strategy in place for Seven Sisters Market and nor was it an outcome from the previous scope for the Market Facilitation role that Quarterbridge were contracted to deliver. This decision resulted in a direct conflict of interest and it is an example of the poor oversight and governance arrangements associated with the Market. The development of a comprehensive strategy that is co-designed and produced by all the key stakeholders, including the individual Licenced Holders, should be progressed as a matter of urgency. This should form part of scope for the Market Facilitator role that Grainger are responsible for appointing.

7.4.6 The strategy would help to identify the synergies across the key stakeholders and should draw on current and past experience, case studies from other successfully run indoor markets such as Tooting Market in order to develop a strong set of policies, guidelines and a commercial and social framework that would then be used to:

a) Form the specification for the tender opportunity for the Partnership model seeking an experienced operator that will work with key stakeholders to ensure the strategy is fully implemented; and,

b) monitor the success of the strategy and its implementation by the Partnership Board. The most important elements of the strategy should be prioritised, whilst the remaining should be implemented in phases based on a pre-defined programme of milestones that is agreed by the Partnership Board at the Award of Contract stage.

7.4.7 Any proposed changes to the approved strategy would need to be evidenced to prove that elements were either not functioning as intended or no longer relevant. It is important this is proven and agreed by the Partnership Board prior to any changes to the approved strategy. Depending on the proposed changes and their impact, consultation with the wider stakeholders would need to take place. This is vital to ensure continued buy-in, accountability and support for the overall strategy from key stakeholders, especially the Licenced Traders.

7.4.8 *Programme*

The timescale for the implementation of this model is dependent on a number of factors, not least the existing lease arrangements with the current market operator. This is due to expire in September 2020 and whilst the independent consultant is not privy to the terms of the agreement, it is likely that either one of the following two scenarios will happen:

a) The existing lease expires and the market remains in its current location and therefore Transport for London will need to tender the opportunity; or,

b) the redevelopment of Wards Corner proceeds and the market moves to its temporary location (Apex House) meaning a lease will need to be marketed by Grainger. The earliest this could be in operation is August 2020.

7.4.9 Taking both scenarios into consideration and the fact that there is approximately eight to nine months available (from the time of publication of this report in January 2020) it would be possible to procure and award the contract for the Partnership model within these timescales on the proviso of the following:

1. That all the key stakeholders agree to move forward with this model.. The appointment of the Market Facilitator by Grainger should help to secure further support for the Partnership Model during the development of the Market Strategy for Seven Sisters;
2. The agreement of a selection process and establishment of the Partnership Board by May 2020. The individual organisation or group (i.e. Licenced Traders) will decide the selection of who represents each key stakeholder group. Market Facilitator could facilitate the selection of the Trader representatives that sit on the Partnership Board through a ballot process. (see 7.4.16);
3. Three months is allowed for the development and approval of the market strategy for Seven Sisters Market prior to commencing the procurement;
4. That the tender documents (Lease Terms, Instructions to Tender) for the procurement of an operator are drafted and agreed in parallel to the development of the market's strategy;

5. That the procurement notice and formal process begins in early April and lasts no longer than three months, including the Award of Contract.
6. That any maintenance and health and safety issues (current location) are identified so a costed action plan and implementation programme can be established and agreed. With the second scenario, any fit out for Apex House is managed, implemented and financed by Grainger following the conclusion and approval of the market strategy.
7. The selection process for all units for all Licenced Traders wishing to relocate to Apex House is agreed and the notice to relocate is issued within the legal timeframes should the redevelopment proceed; and,
8. That the contract mobilisation of the new operator/leaseholder is no longer than two months - this could be written into the contract terms at the procurement stage.

7.4.10 *Procurement Process*

All stages of the procurement process, including any pre-qualification stage, should be open and transparent and involve the Partnership Board. A selection of possible operators should be discussed and agreed by the Partnership Board prior to issuing the Contract Notice. This will mean a long list of operators that can be researched and vetted prior to the formal process commencing and should allow all stakeholders, including the Licenced Traders, to input and be involved in the shortlisting process.

- 7.4.11 This approach is not unusual for many types of projects led by the public and private sector where there is strong interest in finding a solution and a history of mistrust in the way previous processes or projects have been handled or delivered. It would therefore be pertinent to involve the full range of key stakeholders (excluding the current operator owing to a conflict in interest and competition rules) in this stage of the project. This will also help to promote greater understanding and appreciation of each other's perspectives at this early but crucial phase, as it will help to set parameters, expectations and find solutions to issues that should achieve the best possible outcome from the procurement process.

7.4.12 **Board Arrangements**

- 7.4.13 The Partnership Board should be set up and have representation from all the key stakeholders. The Market Operator is not a key stakeholder but the delivery agent that reports to the Board on progress relating to the approved market strategy that is agreed by all the key stakeholders prior to the lease opportunity being tendered.

- 7.4.14 The Market Operators' role is deliver the agree market strategy developed by the key stakeholders. They will be required to report into the Board on the progress being made in relation to the delivery of the strategy and the outputs it promotes. However, their role as the 'market expert' is to advise the Board of any changes they feel are necessary to the agreed strategy, policies and guidelines and provide the rationale and justifications for this. It is important to note that the market strategy will not be a static document, but will need to evolve to effectively

address unforeseen issues and challenges, some of which may be external influences (i.e. reduction high street footfall, changing consumer habits, online shopping etc). Therefore, the Market Operator will play a strategic role in advising the Board and whilst they are categorised as a 'Delivery Agent', this should not be mistaken with the fact that they *will play a pivotal* role in ensuring the future success of the market, along with the Licenced Traders. Therefore, they will have a strategic role but in terms transparent governance it will be the Board Members who will approve any changes to the strategy etc on consideration of the advice and evidence presented by the Market Operator. The support the Board will provide the Market Operator and vice versa is one of the strengths of the Partnership Model.

- 7.4.15 It is vital that the market strategy, policies and guidelines around issues such as dispute resolution or change control are approved by the key stakeholders and form part of the tender documents and final contract with the market operator.
- 7.4.16 The Partnership Model consists of a contractual relationship between the Freeholder and the leaseholder (in this case a Market Operator) with oversight from a Partnership Board made up of key stakeholders. The role of the Board is to ensure the agreed market strategy, guidelines and policies are being delivered. Apart from the Freeholder, the members of Partnership Board have no involvement in the lease arrangements between the Freeholder and the Market Operator. Therefore, the property transaction and the terms of the lease sit outside the scope and role of the Partnership Board.
- 7.4.17 The legal status of the Partnership Model will be defined only by the contractual arrangements (specification) between the Freeholder and the leaseholder (Market Operator). This would include the delivery of the agreed specification as defined by the market strategy, policies and guidelines agreed by the key stakeholders. The Partnership Board made up of the key stakeholders will have oversight to ensure the relevant outputs and outcomes (outlined in the specification) for the day-to-day and strategic management of the market are being delivered. The Board members, bar the Freeholder, would not have any financial or legal liabilities in relation to the lease and contractual agreements between the Freeholder and the Leaseholder.
- 7.4.18 The freeholder will need to ensure that the lease arrangements support the delivery of the market strategy and that both the lease and contract for the market operator are complementary with no conflicting legal obligations. Both documents should be reviewed to ensure one does not have precedence over the other. This could jeopardise the success of the market and mean the operator is unable to deliver on all its obligations.
- 7.4.19 In terms of the make-up of the board the recommendations are as follows:

Key Stakeholder	No. of Representative
Grainger Freeholder and/or Leaseholder	2 representatives
Transport for London Freeholder	1 representative
Greater London Authority	1 representative
Haringey Council	2 representatives 1 senior officer and 1 Councillor (local Ward Cllr or relevant Cabinet Member)
Licenced Traders =	3 representatives See formula below

7.4.20 Licenced Trader Formula

All representatives should be elected by the 35 Licence Licenced Traders. This should be done as part of a secret ballot that is overseen and verified by an independent body. Licenced Traders who are interested in the role must put themselves forward and explain why they should be elected to represent all the traders from Seven Sisters Market. A standard template for nominations should be developed.

7.4.21 The formula for trader representatives is based on one representative for every 10 Licenced Traders. The level of trader representation on the board should be no less than three.

7.4.22 Administering of the Board

It is suggested like most boards, the Partnership meet every three months once it is fully established. There may be a requirement to meet more frequently in the early stages but this should be no more than every eight weeks.

7.4.23 The operator administers the board and provides all the necessary papers based on the agreed agenda items. They should develop and agree a dashboard which provides the key stakeholders with information they want to measure and monitor. This could be regarding footfall, promotional activity, shopper profiles etc. Any metrics should relate to the approved market strategy and should not be overly onerous and time consuming for the operator to monitor and record. There should also be agenda items that relate to the investment strategy and financial reporting so the board have sight of the financial performance of the operator, which will help to expose if there are any issues with the resilience of the market and its offer. The Board may also want to agree a set of social value outcomes that the market should prioritise. These will need to be developed prior to the tender for the lease, or provide scope to include once the lease is in place.

7.4.24 All board papers and notes, actions and resolutions of meetings should be shared with all stakeholders, prior to and/or post the quarterly meetings.

7.5 Top Scoring Model Analysis

For more detail on the scoring assessment see Appendix 4.

7.5.1 Cooperative Model

Whilst a Cooperative style model would allow traders greater control and influence over the management of the market, right now this option does not seem like a viable solution. The divisions between some of the traders over the future location of the market and a feeling from others that there are too many competing agendas at play would be problematic in the planning and setting up of a cooperative. Traders' primary focus is to run their business and the resources that will be required to establish and manage a cooperative may distract them from doing this. Coupled with this, the level of experience may not be available to them right now to support this ambition. However, there is real potential for this model to be developed with the Licenced Traders over the next 12 -36 months. This would give enough time for Key Stakeholders to plan and prepare for its implementation if this was a model that they were interested in exploring further.

7.5.2 Local Authority

The council is not currently adequately set up to run and manage markets. In order to do this, they would need to recruit a team of experienced market professionals to help establish a team that would be specifically responsible for Seven Sisters Market. Councils that run markets do this with varying degrees of success. Many concentrate on their regulatory function as opposed to market development. Owing to its history, there would need to be more of a focus on both the regulatory and development elements in order to address some of the issues Licenced Traders are experiencing.

The timescales for recruiting a team at best would take up to six months. Councils are notoriously bureaucratic when it comes to recruiting and setting up new teams. This process alone would create significant risks in relation to the timetable outlined in Terms of Reference (see appendix 1). Also the London Markets Board recognise the positive role councils can play in managing markets, but there is a sense that whilst some do this well others are just not sufficiently equipped or resourced to support markets and traders in the way that a market operator can.

This is not to say the council could not reverse the trend and run or manage the market successfully with careful planning and recruitment but this would require a lengthy approval process that will be open to scrutiny and challenge. Along with the legal and conveyancing process, it is more than likely that more time will be needed than is available to implement this model in a managed way. It should be noted that, in the recent past, councillors have expressed an interest in taking over the management of the market and this statement was supported by the GLA.

7.5.3 Arms-Length

Similarly, to the reasons given above, the Arms-Length Model could not be set up and operational by August or September 2020. This is likely to take longer to form than the Local Authority run model, but out of the two, this should be the

preference due to the dedicated resources it would provide that would deliver more benefits for the Licenced Traders, the community who use the market and the freeholder. As this model would be wholly owned by the council it would provide greater financial security for the freeholder. This means in theory it has a robust financial set up that is likely to be appealing to any freeholder wishing to grant a 25 year lease. This, combined with dedicated resources, makes it a strong contender but it's uncertain if the council would want to go as far as setting up a new company.

7.5.4 **Social Enterprise**

Whilst this was the top scoring model, the majority of social enterprise markets are either weekly or monthly. However, there are some successful social enterprises (or Community Interest Companies) that run markets seven days a week like Brixton Station Road Market. This model has a lot of benefits in terms of reinvestment of profits and usually a strong emphasis on social value. The social value model is also one that is likely to be trader-focused as they will ultimately determine the success of the market.

This and the Cooperative models tend to have the same commercial approach (i.e. non-for-profit) but the two elements that make the Social Enterprise more attractive is its stronger emphasis on and delivery of social value outputs as well as being operationally independent from its traders, meaning less conflicts of interest are likely to arise. The other advantage is that usually it is able to raise finance more easily than cooperatives as they tend to have a stronger focus on delivery of outputs probably owing to the fact there is a lower number of employees (1.4m versus 17 million). This correlates with statistics which show that there are 100,000 social enterprises in the UK whereas there are only 7,000 registered cooperatives.

Whilst the Social Enterprise could deliver a range of benefits for the market and the communities it serves, like with some of the other models, this would take a while to set up and it's unlikely this model could be operational by late summer 2020. However, it certainly has validity and if there was more time, this review would have jointly recommended both this and the Partnership model to be considered in more detail by the key stakeholders.

7.5.5 **Operator**

The Operator Model is one of the most successful delivery models and perhaps now the most prevalent of all in the UK today. However, most of the daily markets are probably still run and managed by local authorities. But this is changing and with cuts to council services, many new markets are operator led. The quality of operators in terms of management and the development of markets can vary.

This model would be the simplest to implement based on the time available and the expertise and knowledge base of this sector. However, owing to the issues raised by Licenced Traders in particular this model on its own is unlikely to receive or provide the assurances some traders and key stakeholders are seeking.

Therefore, this model would not be suitable to the particular circumstances and therefore not appropriate at this current time.

The added benefits of the Partnership model over the Operator model is the level of governance and oversight which is so important based on the engagement with Licenced Traders and some of the other Key Stakeholders. Alongside this, the Partnership model is more than likely to pursue and deliver the social value priorities the key stakeholders may want to implement owing to their involvement in the management of the market.



8. Recommendations

- 8.1 This section outlines the recommendations that have been developed following the conclusion of the engagement and research phases of this review. It is for the key stakeholders to decide and agree which recommendations in this report they wish to develop further and/or implement. All recommendations should ideally be progressed but owing to the range of interests across the key stakeholders this may not be possible. Therefore, they have been prioritised to help the key stakeholders focus on the most important elements that will deliver the best results during the next stage of the process.
- 8.2 It will be up to the Key Stakeholders to consider the recommendations and agree which ones they wish to develop and take forward. Once this is known there will be a requirement to identify the key stakeholder(s) who is best placed to lead on each recommendation. It is important that any leads actively collaborate and consult other key stakeholders before any decisions are made.
- 8.3 The programme is demanding and will require the key stakeholders to decide which elements of the recommendations (that relate to the programme) they wish to proceed with. Once this is established the key stakeholders should assign leads to each recommendation, though it is envisaged that many of these will be led and managed by the Market Facilitator in collaboration with the key stakeholders
- 8.4 The existing operator, Market Asset Management (MAM), is regarded as a key stakeholder for the purposes of this review. In terms of taking forward any of the management models, it is recommended that the other stakeholders work together to further develop the one that most appeals to them. The reason for this is that market operators will have their own set of commercial and organisational parameters they work within, and this will vary from operator to operator. Also involving MAM at this stage could create a conflict of interest if the model that was progressed was either the Partnership or Operator led.
- 8.5 It is recommended that the key stakeholders seek the expertise from a range of sources to advise and guide them during this process. This role could be performed by the Market Facilitator and the stakeholders have a unique opportunity to use this resource to support the process going forward.
- 8.6 Recommendations that should be progressed immediately include:
- a) Redefining the list of key stakeholders relating to Seven Sisters Market to include the following only: the Licenced Traders, the Council, the freeholders (Grainger and Transport for London) and Greater London Authority. The review is recommending that the existing market operator is not defined as a key stakeholder and is categorised as a delivery agent. As such the Delivery Agent should not be involved in the future discussions on the development of the market management models owing to:
 - A conflict of interest for any future lease arrangement; and,

- Being privy to information that may place them in a more advantageous position for any future lease arrangement/negotiation with Transport for London and/or Grainger.
- b) The drafting and approval of a Key Stakeholder MoU/Charter outlining the commitments and who will deliver these. The key stakeholders should develop a Memorandum of Understanding and outline their commitments to work collaboratively in the best interest of the market. The Market Facilitator should support this process and act as an independent advisor and arbiter (if required) to ensure a realistic set of commitments from across the key stakeholder organisations and groups (i.e. Licenced Traders) are made.
 - c) Ideally seek the support of more than half (18) of Licenced Traders for the Partnership model and progress with its development. This ambition should not delay the appointment of the Market Facilitator if the Key Stakeholders agree to move forward with the development of the Partnership Model.
 - d) That early discussions take place with Transport for London and Grainger to ensure their support and commitment to working with the key stakeholders to implement the Partnership Model regardless of the market venue.
 - e) A commitment to resolve issues relating to the current market, including an action plan to resolve issues relating to outstanding maintenance, promotion and marketing, anti-social behaviour/security and any outstanding health and safety issues to ensure compliance.
 - f) Appoint the Market Facilitation role (funded by Grainger as part of the s106 obligations) to support the development of the Partnership Model. Their role and remit should be clearly defined in the contract specification and this should be agreed by all key stakeholders prior to commissioning. The role of facilitator is to broker collaboration across the key stakeholders and remain independent.
 - g) A panel of key stakeholders, including Licenced Traders should be involved in the evaluation and selection of the Market Facilitator to ensure maximum buy-in and support for the process. Whilst the scope of the review is to provide a series of recommendations on the future management model(s) for Seven Sisters Market, both the management model and the appointment of the Market Facilitator are interrelated especially during the development phase (pre tendering of the new lease). There is a real opportunity to ensure that the appointment of the Market Facilitator supports the smooth transition to a Partnership model and delivers a set of outcomes that the key stakeholders want to see
 - h) That Grainger communicates in writing to all traders outlining the relevant obligations in the S106 relating to any possible move to Apex House, as well as any additional support they may provide but are not legally obliged to do so.
 - i) All information regarding the market is clearly communicated to the key stakeholders at the same time, appreciating language and cultural requirements of some of them. There was feedback from Licensed Traders that they found some information hard to digest or confusing.
 - j) Grainger to soft market test this with operators the affordability and attractiveness of lease and the total package on offer, including any other commercial options i.e. turnover rent for the first five years.

- k) The Wards Corner Policy Advisory Group continues to receive updates from the appointed Market Facilitator and challenges where required. There is a need for continued oversight until the new model is operational and the Partnership Board is in place.
- l) That a series of Key Stakeholder workshops are organised in preparation for the development of a comprehensive market strategy for Seven Sisters market (see 8.5a).
- m) Explore the option for a social value lease for the market beyond the first five years. This would require the support of Grainger and/or Transport for London and is something that could be championed and promoted by the council and the GLA.
- n) The selling or sub-letting of units is not permitted.

8.7 The following recommendations should be progressed and implemented in the next 12 months:

- a) The market strategy for Seven Sisters Market is fully developed, consulted upon and agreed by the Key Stakeholders (including at least two thirds of the Licenced Traders) by the end of April 2020. This should include a robust and transparent set of guidelines and policies, as well as outlining in detail the outputs and outcomes Key Stakeholders expect from the Partnership Model and its delivery agent (an operator).
- b) That TfL and Grainger Plc involve all the key stakeholders in the pre-qualification, evaluation and selection of the operator for the Partnership Model.
- c) A new lease is tendered for the current location if it is likely to extend beyond the current expiry date (September 2020). This process should commence as soon as the outcome of any legal process is known.
- d) That the lease for Apex House is tendered and that Partnership Model is adopted as the management model for Seven Sisters Market if the relocation proceeds.
- e) That Licenced Traders set up a traders association that is open to all traders regardless of their position relating to the options for the existing or proposed market sites. It is advised that clear Terms of Reference are established and agreed by all traders. It is important there is a process in which the representatives can update all the Licenced Traders on any outcomes/resolutions from Board as well as an opportunity for Licenced Traders to raise and debate issues and agree on what should be escalated to the Board for consideration.
- f) To proactively facilitate discussion on the *possible* move to Apex House, including the logistics relating to any relocation, the criteria for unit selection and the confirmed rental costs of the units over the five-year period based on unit size. This information is required by the Licenced Traders to allow them to plan, invest and grow their businesses.
- g) That the rental review period and mechanism for lease beyond year five (up to 25 years) is outlined by Grainger for discussion with the Key Stakeholders. It is recommended that this is fixed or improved through negotiation, so Licenced Traders have some degree of certainty to help plan their business. The economic and social value of markets provide stronger justifications for a different lease approach to be adopted by Grainger.
- h) That Grainger outline the financial model for Apex House and permanent location for the market, including how the fit out costs estimated at £2.4 million will be met. This

should be made clear to Licenced Traders, including the possible implications of how and whom will meet these costs in the medium term (first five years) and then after five years, especially if it is likely these costs will be recouped through future rental charges to Licenced Traders. The businesses need to understand any future cost implications and plan for these.

- i) That Trader licences reflect the terms of lease renewals and therefore are granted for longer than one year. Currently the leaseholder can terminate the licences with only 28 days' notice for no particular reason meaning that Licence Traders do not enjoy any security of tenure.
- j) That the Mayoral funding totalling £284.5K is ring-fenced for business support initiatives or grant funding opportunities to support current and future Licenced Traders, including financial support for capital assets, namely equipment. The spend profile and detailed terms should be developed in the next six months and these discussions should be led by the Market Facilitator in consultation with Greater London Authority (GLA).
- k) That measures are put in place to adequately address Licenced Traders concerns by improving safety and reducing the level of anti-social behaviour inside the market.
- l) To rebuild trust amongst the Key Stakeholders so that a more collaborative working relationship can be established. There may be a requirement for mediation between traders themselves to help to repair relationships.

9. Conclusions

- 9.1 Despite the low number of responses from Licenced Traders in respects to their preferred model, the review was not necessarily going to conclude a favourite across all the key stakeholders. This was due to a range of reasons and this outcome was not the sole intention of the review. The review was to identify and shortlist the most viable models that could be further developed by the key stakeholders. This has been achieved and now provides a framework and strategy to move forward to the next stage.
- 9.2 The review into the possible management models for Seven Sisters Market concluded that there were six models that all have validity and could be developed further for implementation, regardless of the location of the market. An alternative model (Mutual) was also proposed by three Licenced Traders as they believe it would put them in a better position to 'take back control' of the market. Whilst this ambition is unsurprising given the campaign these traders have led against the redevelopment of the Wards Corner building, this model is unlikely to be favoured some of the other key stakeholders, including a group of existing Licenced Traders. Also, this proposal seems to be connected to the current venue only and not the other locations this review also covers.
- 9.3 Out of the six top scoring models, my recommendation would be for the Partnership Model to be developed further by the key stakeholders and implemented. The reason for this is that it is a pragmatic solution that will deliver a number of benefits but also has a number of safeguards primarily for the Licenced Traders. Essentially all the key stakeholders want the market to be successful, but it's the Licenced Traders that have the most to gain from the implementation of the model that most suits their requirements and aspirations. Both these factors will vary and owing to the low response rate from traders as to their preferred model this would require further testing during the development phase. However, I am confident that more traders will see the benefits a Partnership Model will generate for the market and their businesses.
- 9.4 The recommendation is based on existing Key Stakeholder resources, the engagement process, the need to provide a management solution that works for both the short term and long term, the need for robust governance arrangements to protect the range of interests including those of individual Licenced Traders and utilising part of a proven model (operator) to deliver a set of outcomes specified by the key stakeholders is the rationale for promoting this model for Seven Sisters Market.
- 9.5 There is a desire from the key stakeholders to put in place a new management model for Seven Sisters Market either prior to any move to Apex House (August 2020) or once the current lease expires (September 2020). The planning, development and implementation of this model could be achieved within these timescales. If more time was available, there may have been an opportunity to develop and consider another model such as the Social Enterprise or Cooperative Models. Either of these (or the

Mutual Model) could be considered later down the line if key stakeholders come together and agree that one of these would be a valid option to explore further. One of the key factors that may prevent another model being considered in the future is the capital cost of fit-out that the leaseholder will need to take into account regarding either site location. Both of these may be cost prohibitive and therefore any model that is implemented would need to remain in place for at least 8 years to recoup any capital costs.

9.6 Whilst the Partnership model is untested a similar approach was promoted in a study by Cross River Partnership and Sustainable Urban Markets study. Despite this, it's effectively a hybrid of the operator led model but with an extra layer of governance providing more accountability across the key stakeholders group who all state they want the market to be a success for the traders, the community it serves as well as being an integral part of the high street offer in Tottenham. This extra layer of accountability should also be reassuring for the operator and it's likely this opportunity will be an attractive proposition for an established and highly reputable operator with a strong track record in managing and delivering successful markets.

9.7 Finally, it was evident that two fundamental issues could stifle the future success of Seven Sisters Market:

- a) The first was the difference in opinion between Licenced Traders about the future of the market. This primarily relates to where the market would be best located to ensure its continued success. There is a group that are supportive of the move to Apex House and the eventual return to the redeveloped Wards Corner, and another set of traders that were interested in the possibilities proposed by the Community Plan. This difference of opinion about the market's future and its location seems to be one of the major stumbling blocks for traders, preventing them from working together to achieve the best possible outcome for the market and their businesses. This seems a real shame, especially as I was told anecdotally that pre-2009, traders worked together to ensure their best interests were represented. Hopefully there will be a desire to get back to this and perhaps once the final location for Seven Sisters Market is agreed, relationships can start to repair.
- b) The second issue relates to the breakdown of a productive and collaborative working relationship across the key stakeholders, namely the freeholder (TfL), long leaseholder (Grainger), the council and the Licenced Traders. The need for these key stakeholders to *all* come together and collaborate is essential to support the market's future success. Without adopting an open and collaborative approach to the market, the traders and their businesses, the communities that use and rely on the market as a place to shop but also interact, could suffer. It is hoped that the outcome of this review and the shortlist of management options will help to foster greater understanding and a willingness to come up with the right solutions for the market, regardless of the location or venue for Seven Sisters Market.



Appendices

Appendix 1: Terms of Reference

Appendix 2: Model Scoring Criteria and Weighting

Appendix 3: Market Model Type Table

Appendix 4: Market Model Scoring Assessment

Appendix 5: Key Licenced Trader themes

Appendix 6: Case Studies (Top scoring models)

Appendix 7: Licenced Trader (S106) commitments

Appendix 8: Licenced Trader Questionnaire

Appendix 9: Schedule of Key Stakeholder comments to Draft Report (17/12/2019) and Independent Consultant response

Appendix 1: Terms of Reference - Wards Corner Policy Advisory Group

Purpose / Role of the Group

The Policy Advisory Group has been set up to look at the Cabinet's policy towards resolving the numerous issues surrounding Wards Corner.

In the first instance, the Group's purpose will be to:

- 1) Explore options for the future management of the Seven Sisters Market at Wards Corner; and,
- 2) For the Cabinet Member for Strategic Regeneration to present the findings in a report to be presented at Cabinet Advisory Board (CAB).

The report is not a decision-making report and is for CAB to note. The report is expected to take a minimum of 10 weeks and a maximum of 4 months to complete.

The Group will consider the management options for the Market over three distinct timeframes:

- The short term: anytime from now until the market moves to its temporary location at Apex House (expected in August 2020);
- The medium term: while the temporary market operates from Apex House (anticipated to be from August 2020 until August 2023); and
- The longer term: upon the move to the new permanent market building at Wards Corner (anticipated to be from August 2023).

Key consideration

The Group takes place alongside a number of other processes and must take care to steer clear of issues being considered elsewhere. This includes:

- The Wards Corner CPO Decision; and,
- The Housing and Regeneration Scrutiny Panel review into Wards Corner which is taking place from February 2019.

Membership

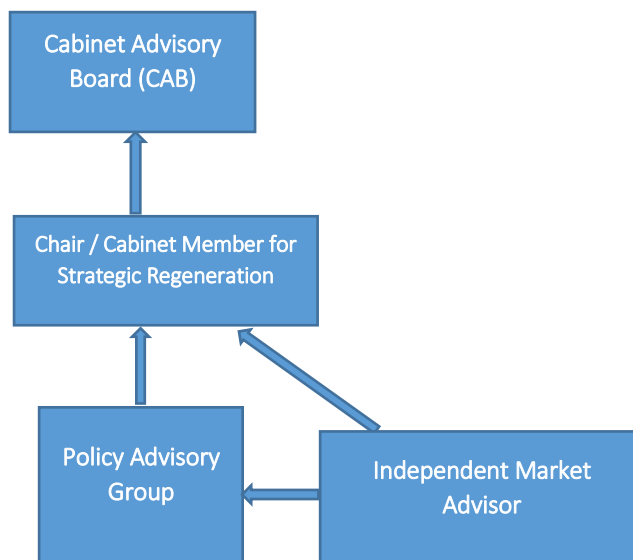
Individual Group members should consider any conflicts of interest and seek legal advice as required.

- Cllr Charles Adje, Cabinet Member for Strategic Regeneration, Chair of PAG
- Cllr John Bevan, Northumberland Park Ward Member
- Cllr Makbule Gunes, Tottenham Green Ward Member, Deputy Cabinet Member for Women and Equalities
- Cllr Mike Hakata, St Ann's Ward Member
- Cllr Preston Tabois, Tottenham Green Ward Member

Accountability

The Group is not a decision-making body. The group will make recommendations regarding options for the future management of Seven Sisters Market, which will be presented by the Cabinet Member for Strategic Regeneration, the Chair, and may be considered by CAB.

Any recommendations for a decision that may arise as a result of the report will be subject to Cabinet and (if necessary) Full Council decision.



Undertaking the Review

An independent advisor will be commissioned to support the Group in order to assess the options for the management of the market.

The options will be assessed against a set of criteria.

The independent advisor will be tasked with putting together the set of criteria to be agreed with the Group, the Landowner/Developer, Seven Sisters Market Traders and relevant Council departments.

The group will consider the following issues in order to inform their recommendations:

- Social value of the market for Haringey;
- Impact on traders;
- Operation and management options;
- Ownership options;
- Financial costs;
- Legal implications including clarity on the legislation the Seven Sisters Market building falls under;
- Resource and organisational implications; and,
- Viability of the market and the long term risks.

There may be some documents provided for the purpose of the review that should be treated as confidential.

Format of Reporting

The independent markets advisor will produce a draft report following discussion with the Group, relevant officers, and a small number of focus group sessions with Traders and the Developer (Grainger) at a minimum.

Opportunity will be provided for Members to review a draft of the report and to ask questions of the independent advisor. A final report will be then prepared for consideration by the Chair who will write the foreword.

Working Method / Ways of Working

The group will be chaired by the Cabinet Member for Strategic Regeneration who will have ultimate responsibility for producing the report and reporting to CAB.

The bulk of the review will be undertaken by the independent advisor.

The independent advisor will review any relevant legal briefings required for the development of management options for Ward Corner.

Meetings

The Group meetings will be held by the Chair. The Chair with the assistance of the Independent Market Advisor will review group members' diaries and agree the frequency of meetings which will be scheduled by the advisor after agreement with the Chair.

Sharing of Information and resources (including confidential materials)

Considerable input may be required from Legal, Finance, Environment, Property, Building Control and Regeneration Services primarily as well as the Democratic Services.

All information shared with the Group is for the purposes of the Group making its recommendations only.

The draft report and any recommendations will be issued to the Cabinet Member for Strategic Regeneration and the Policy Advisory Group for their consideration.

The report will also be issued to the key stakeholders in draft format for their consideration and comment. Following this, the report will be finalised and will be made publically available. The Cabinet Member for Strategic Regeneration will then present the report to CAB for consideration. .

Appendix 2: Model Criteria and Weighting

Below is the criteria for evaluating the various market models for management and operation of Seven Sisters Market.

Weighting Justification

Below details the justification for the weighting for the two principle criteria sets that will be used to evaluate the effectiveness of the various management and operational models for Seven Sisters Market.

Management and Operation

In order to establish a strong foundation to allow a market to flourish and be successful, it is essential the right management and operation model is put in place to allow this to happen. Without this the market will find it difficult to develop and grow to its full potential. Both of these elements are the bedrock of any good market. This is why the weighting accounts for two thirds of the overall score.

Social Value

Similar to public spaces, markets are places that draw people together. If properly managed and operated, they can provide a number of additional benefits over and above their core function. The social benefits that markets can facilitate, be it encouraging entrepreneurship, creating training and skills opportunities, or a space for community activities, are additional factors which make markets successful places and interesting destinations. The social value and wider benefits a market can deliver should be encouraged wherever possible. This is why the weighting accounts for nearly a third of the overall score.

A) Management and Operation		
<i>Total Weighting 70%</i>		
Criteria	Description	Total Score
1. A model that is affordable and self-financing.	The model needs to be affordable for both the leaseholder and the licenced street traders. It should not need to rely on subsidy or support and therefore needs to be self-financing to meet all the associated costs with the management and operation of the market.	40%
2. A model that has an effective management and operation structure at its core with robust governance and transparent decision making.	The model should demonstrate that it has a robust management and operation structure to support the market and its licenced traders. It needs to be resourced accordingly if it is going to be effective and have clearly defined governance arrangements, including decision making that is transparent, accountable and can be justified.	40%
3. A model that can be implemented within the specified timeframes based on resources and capability available.	A model needs to be practical in terms of its implementation and needs to be compliant to any legal or legislative requirements. The resources and capability/experience of the team need to be in place in order for the model to deliver successful outcomes for the leaseholder and its licenced traders.	20%
B) Social Value		
<i>Total Weighting 30%</i>		
Criteria	Description	Total Score
4. A model that facilitates entrepreneurship, business support and growth.	The model should demonstrate that it can support entrepreneurship and promote and facilitate business support for traders to help their businesses grow and be more successful. Some model types lend themselves more naturally to this than others, but most models can be tailored to deliver these outcomes.	40%

5. A model that supports social value by providing opportunities for local people.	Some models will focus more on delivering social benefits for local communities than others. This is largely to do with how they have been set up and governed. Not all models will be capable of facilitating opportunities, but those that can will require a strong set of governance and monitoring to ensure that any community objectives that are set are realistic and being delivered.	30%
6. A model that supports and contributes positively to the place and its offer.	The social value of markets is widely documented but some markets are more outward facing. Models that help to better integrate communities and support the local offer, as well as ones that are well managed and curated will help to positively contribute to a place. The ethos and management structures of some models are more likely to adopt this approach, recognising the strength that can be gained from creating a market that has strong local connections and a loyal community of shoppers.	30%

A traffic light grading will be used as a visual guide to represent the scoring for each criteria listed above. The scoring that sits behind the each colour grading will be made available to key stakeholders so they can fully understand how this was reached.

Colour	Grading	Description
Green	Pass	<i>A pass will result in a score that is more than two thirds of the overall score for each criteria</i>
Amber	Satisfactory	<i>A satisfactory will result in a score that is more than a third and less than two thirds of the overall score for each criteria</i>
Red	Fail	<i>A fail will result in a score that is less than a third of the overall score for each criteria</i>

Appendix 3: Market Management Models

Below is a list of 12 different management models that have been considered for Seven Sisters Market. All models have their benefits and drawbacks and these are evaluated in the table below. The models have then been scored based on the pre-defined criteria for this review in the next chapter. The models that have ranked the highest are considered to be the most viable for Seven Sisters Market and are recommended to be developed further by the key stakeholders.

There may be other models that would be applicable owing to the unique situation of Seven Sisters Market. The fact that it's defined as a market but operates outside a statutory licensing system means there may be other market or property-based models that could be considered. However, it is considered that these models can be applied to both situations (i.e. licenced and lease arrangement) going forward and applicable to all property scenarios (i.e. existing and proposed).

Model Type	Pros	Cons
<p>Local Authority</p> <p><i>Most common of all market models and operations in the UK especially for daily markets. Council-run markets can suffer from the lack of focus relating to their development and offer in favour of more regulatory control. However, council-run markets tend to be more affordable for the end user (trader) compared to most other models and support wider policy objectives such as place making and Public Health.</i></p>	<ul style="list-style-type: none"> • Generates revenue stream for the local authority • Non-profit making and cost neutral • All income generated to be reinvested in the market operation • Accountability • Able to link to wider policy/strategic goals for Seven Sisters/Tottenham • More likely to secure external grant funding to support future opportunities • Greater accountability and more transparent decision making – both at officer and Committee levels • Stability in terms of management and operation • Secure licence/tenancies for traders and freeholder • Support from some traders for the council to take over the management of the market, especially because it would be an independent body 	<ul style="list-style-type: none"> • Bureaucratic and elongated decision making • Generally Local Authorities take more of a regulatory approach to markets as opposed to a market development approach to support the traders and vitality of the place • Lack of capital to invest/competing priorities for bids and service funding • Haringey currently does not run or manage any markets • Market policy would be required and the development of a robust and realistic market strategy for Seven Sisters • Relation and trust would need rebuilding between the council and some traders • Council has no legal or statutory right to take over the management of the market. This would require negotiation with the freeholder (Grainger).

<p>Market Operator</p> <p><i>Second most common model for market operations in the UK. Majority of these markets are not daily and tend to trade at peak times of the week and in high footfall/spend areas. The benefit of the market operator model is usually a dedicated team of experts with the drive to make it a commercial success for their traders and the business.</i></p>	<ul style="list-style-type: none"> • Reduced bureaucracy and streamlined decision making • Focused on core business of developing and promoting the market to drive footfall and attract traders • Right operators will bring significant experience to running and managing markets • Access to capital investment and investors • Success orientated to drive profits of operator and its tenants/Licensed holder • Greater flexibility to reinvest profits back into the market • Can flex and grow operation depending on future requirements • Well run and managed • Generally takes a medium to long-term approach to grow and establish the market as part of company business plan 	<ul style="list-style-type: none"> • Less accountability and/or transparent decision making • Driven by profit so potential to lack of interest or coordination with wider social/policy issues • Less security or safeguards for traders • Cost for end user (trader) tends to be higher than with other models • Less security if business model fails for traders and local area • Profits can sometimes dictate offer and/or service levels and this can lead to mistrust between traders and operator • Markets can lose their character and feel that made them popular to the local residents and shoppers
<p>Trader Managed</p> <p><i>Less common model found in the UK. However there are very successful trader-run markets operating, though longevity can be an issue. This model can be extremely cost effective for traders and deliver larger profits if effectively managed.</i></p>	<ul style="list-style-type: none"> • Reduced bureaucracy • Cost efficient especially in terms of running costs • If constituted can be democratically run and operated • Traders focus on the core business to grow the demand and profitability of their businesses which in turn benefits the market • Can provide a platform for an increased sense of communal ownership and willingness to go further to make the market a success • Generally will ensure a good range of commodities and not increase competition unnecessarily 	<ul style="list-style-type: none"> • Lack of independent decision making can cause conflict of interest and mistrust amongst traders • Lack of capital investment or access to capital investment • Sometimes lack process and robust governance procedures • Tend to be uncommon model as fraught with difficulties in terms of set up, management and governance • Often traders may lack time and wider management skills necessary to effectively manage the market as well as their own businesses • Often lacks a guarantor and therefore not attractive models for freeholders

		<ul style="list-style-type: none"> • May lack interest, time, expertise or coordination with wider social/policy issues
<p>Freeholder Managed</p> <p><i>This is not a common model but owing to the particular circumstances this should not be discounted. This model has the potential to deliver local and wider benefits for all the key stakeholders as the freeholder is a principle financier and takes a long-term view and approach to its investments, place making and management of an area.</i></p>	<ul style="list-style-type: none"> • Access to capital and revenue funding • Full control over asset and tenant mix so can curate the entire offer • Investing in the area so key benefactor in ensuring the future success of the market and its traders • Many freeholders manage their estates and secure tenancies based on overall business objectives which are usually framed by market and area requirements • Property as opposed to a licensing arrangement so should be well versed in managing tenants, buildings and operations • Formalises arrangements between freeholder and traders (i.e. tenancy agreements) • Develops a relationship with the traders, local community and key stakeholders such as the local authority, the GLA and TfL • Well-resourced and could bring in in-house expertise to support the management and operation of the market • Large marketing and promotional influence and dedicated budget for the area to attract footfall, residential sales and new tenants to the area 	<ul style="list-style-type: none"> • Not common for private sector freeholder to run and manage a market, but not unusual • Trust across the entire trader community is essential • Potential financial risk in terms of variable income if traders rescind their licences/tenancy agreements • Potential for conflict of interest if there is no clear governance agreed from the on-set
<p>Cooperative</p> <p><i>Not very common model in the UK but embraces the latest ethos around</i></p>	<ul style="list-style-type: none"> • The cooperative can involve multiple stakeholders with an interest in making the market a success, including the traders, freeholder and council 	<ul style="list-style-type: none"> • There are not many cooperative models for market management in operation • Can be time consuming to set up and establish as

<p><i>community wealth-building, creating and benefiting from being involved in the management and operation of a market. The market would be owned and managed by the market traders, primarily for their collective benefit. The essence of this model is about adding value through commodity range, contributing to the local economy and a willingness to work with other local agencies.</i></p>	<ul style="list-style-type: none"> ● Generally non for profit. Any profits reinvested in the market or other social value initiatives such as training, mentorship etc. ● Innovative approach that is likely to attract a lot of attention and potential blueprint for other markets ● Model designed to ensure all stakeholders that form the cooperative are invested in making the market a success ● One of the models that is likely to deliver more social benefits for its stakeholders and others i.e. local community 	<p>governance and legal aspects of the cooperative must be agreed across a number of parties</p> <ul style="list-style-type: none"> ● Access to capital investment can be more difficult to secure compared to other models ● Requires strong governance from the on-set and may need to be reviewed and updated to ensure the model and its stakeholders remain invested in making the model work ● Model more susceptible to failing if cooperative partners fall away or leave
<p>Arms-Length</p> <p><i>Effectively outsourcing the services to a company that is wholly owned by another organisation or parent company. In this arrangement the arms-length company is commissioned to run the service and is the delivery agent for the parent company or organisation. This especially allows public authorities to have greater flexibility, generate income and profit to support and effectively sustain a service in relation to any evolving demands.</i></p>	<ul style="list-style-type: none"> ● Good model if there is no in-house expertise, but the council or freeholder want to retain strategic and operational control of the market ● Less bureaucracy, more streamlined processes and accountable/transparent decision making ● Model focussed on the core businesses and its benefactors i.e. traders ● Access to public or private capital and revenue for initial set-up costs ● Likely to be more cost efficient as required to make a profit or at least cover its costs in full ● Reinvest profits back into the market and not elsewhere ● Standalone organisation so less interference from parent organisation ● Flexible in terms of operation and adapting to external influences 	<ul style="list-style-type: none"> ● Outsourcing services to arms-length companies can be time consuming and expensive to establish ● Political interference may reduce the effectiveness of this model. Strong governance arrangements needed. ● Perception this is not truly independent as associated with parent organisation ● Without strong governance arrangements of the outset, accountability and transparency of decision making can be brought into question by stakeholders i.e. traders

<p>Partnership</p> <p><i>This model promotes the day-to-day management of the market to a third party. However, the strategic management and oversight of the market is delegated to a multi-stakeholder board that could comprise of the local council, the freeholder, the leaseholder, the third party operator, trader and community representatives. Requires a strong set of governance and an agreed market strategy from the on-set. A unique model that is untested in the UK but one that has potential to add value and resolve sensitive situations democratically.</i></p>	<ul style="list-style-type: none"> • All stakeholders can determine their level of involvement from the on-set. • Accountability and responsibility for the management and success of the market is spread across a number of organisations and groups • Democratic in terms of equal voting rights on all strategic decisions that affect the operation, management and success of the market • The traders' interests are represented on the board, so they have a greater level of ownership • More likely to link into the wider community and local and strategic ambitions for the town centre • Annual AGM and quarterly reporting to board • Performance indicators based on the agreed market strategy are monitored • Not overly onerous or time consuming for key stakeholders • Agreement at board level on how profits should be reinvested • Model is capable of delivering social benefits • Opportunities to access a variety of different funds • Strong governance arrangements will ensure success of model • New and innovative method of running a London market 	<ul style="list-style-type: none"> • Untested model and may be the first of its kind in the UK • Requires all key stakeholders to actively participate • Stakeholder mix on the board could lead to disagreement and a lack of consensus stifling the effectiveness of the model • There may be a reduced pool of potential applicants willing to be a third-party operator as potential to maximise their profits could be reduced • Could be bureaucratic and time consuming to set up • Political interference is a possibility - this would need to be managed by a strong set of governance agreed by all key stakeholders
<p>Joint Venture</p> <p><i>This model relates to an organisation such as a local authority retaining the strategic</i></p>	<ul style="list-style-type: none"> • Good model if there is no in-house expertise, but the council or freeholder want to retain strategic control of the market • Potential to improve the management capacity and 	<ul style="list-style-type: none"> • Can be time consuming to establish and expensive • Costs are passed on and profit is required to sustain the model. This could result

<p><i>management of a market but outsourcing the operational management to a private sector partner. This is usually adopted when the local authority lacks the in-house capacity and expertise to effectively manage a market and where external capital investment is likely to be required.</i></p>	<p>capability of the operation to external organisations with expertise and dedicated resources</p> <ul style="list-style-type: none"> • Model can deliver economies of scale if properly established with governance clearly defined • Opportunity to better link enterprise to local providers to deliver • Access to public and private capital and revenue 	<p>in it being more expensive for the end user i.e. traders</p> <ul style="list-style-type: none"> • Merging both public and private sector requirements can be more challenging, elongating the set-up process and adding to cost. • Political interference may reduce the effectiveness of this model. Strong governance arrangements needed • Like any service contract they can be inflexible if change or adaptation is required, potentially adding on cost to the end users
<p>Social Enterprise</p> <p><i>This model runs the market as a business with a specific ethical focus. However, this is just one benefit delivered by this model as opposed to the primary purpose of the business. Usually a Community Interest Company (CIC) would be set up for this type of model. This model is especially suitable where a market is engrained within a specific locality or community. Suitable for markets that do not generate large profits but do want to add value through maximising the local economic, social, and environmental benefits for communities.</i></p>	<ul style="list-style-type: none"> • Non for profit model meaning that any surplus income is reinvested in the market or the delivery of agreed social benefits for stakeholders • Success is not solely driven or determined by profits to shareholders but through delivery of wider non-monetary value • General commitment to trading ethically and generating wider social benefits through trading activity • Cost efficient for end user (trader) • Model is more likely to be embedded within local community and help to deliver its aspirations for an area • Access to public and private capital and revenue • Ability to set up monitoring arrangements against a set of KPI's in relation to funding. This could be monitored and evaluated by local authority and/or freeholder or another independent organisation 	<ul style="list-style-type: none"> • May lack experience and expertise in managing complex market portfolios with a number of stakeholders i.e. freeholder, local authority etc. • May have difficulty in attracting capital and revenue to set up and establish business • There are only a few markets that use this model • Potentially high risk for freeholder in terms of financial guarantees • Strong governance is required to ensure the framework of this model is not compromised

	<p>funded by the CIC, freeholder and local authority</p> <ul style="list-style-type: none"> • Can be more flexible and adapt to external pressures/ influencers to maintain viability of market 	
<p>Community Enterprise</p> <p><i>This model is where the market business would be owned by, managed by and accountable to the local community. Its primary focus is to benefit the local community. With this local commitment, adding value through economic, social, and environmental outcomes is seen as being core to the business' operation alongside profitable trading.</i></p>	<ul style="list-style-type: none"> • Could link in with the community and any emerging Neighbourhood Plan for the Wards Corner and area • A model that would benefit the local community, create a sense of ownership and a core set of local customers • Potential to deliver wider social value as well as economic value for an area and its community • Generally non-for-profit so more cost effective for end users (i.e. traders and in turn local community) • Reinvest any profits back into the market or agreed community projects i.e. youth club 	<ul style="list-style-type: none"> • Requires a mobilised and dedicated set of community representatives to oversee and manage the delivery • Community and traders may disagree on the strategy for the market which could create conflicts e.g. between a social value focussed community and the commercially focused traders • Not a common model for this type of market or one that is open at least six days of the week • Largely untested and therefore financial resilience is questionable • Unlikely to have easy access to capital and revenue funding, especially in the early stages
<p>Voluntary Sector</p> <p><i>A model that is usually applicable to markets that are occasional or one-off events. Requires planning and dedicated support from local volunteers, but if managed properly can be highly effective and successful in terms of providing benefits for local communities and traders.</i></p>	<ul style="list-style-type: none"> • Cost efficient as non for profit and operating costs are less as there should be no salaried employees • Builds stronger links between the local community and the market with a sense of community ownership • Social value opportunities for community training, mentoring etc. are likely to be more embedded in this model 	<ul style="list-style-type: none"> • Relies on volunteers to run and manage the operation of the market, which would be time consuming • Likely to lack experience or ability to coordinate across volunteers • Lack of investment opportunities • Increased operational risk to freeholder and traders • Tends to be a model used for infrequent or one off, smaller scale community market events

<p>Shared Management</p> <p><i>This model is when one public authority contracts or partners with another to provide a service. Offers the opportunity to deliver economies of scale in the procurement of relevant goods and services such as management, staffing and equipment. This model supports the delivery of services that could improve the management, operation and offer as well as provide greater value for money.</i></p>	<ul style="list-style-type: none"> ● This model provides a shared approach to the delivery of services that deliver greater value for money and help bridge an expertise and/or resources gap, including best practice and improving standards/level of service ● Potential to make savings through reduced operating costs ● Share back office systems, administration and market management support ● Pool or share resources to facilitate shared training and support programmes for traders and employees ● Potential to share and attract new traders ● Access to public and private capital and revenue ● Fresh start with new more experienced public authority with a strong track record could yield confidence and trust in traders 	<ul style="list-style-type: none"> ● Perception that one public authority is passing the responsibility on to another. For sensitive projects this may not be seen as reducing accountability of local authority ● May prove difficult to secure a public sector/local authority to take on sensitive projects ● Bureaucratic to set up and time consuming ● Political inferences across one or both public authorities could impact on effectiveness of the model
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Appendix 4: Market Model Assessment

The tables below highlight the scoring assessment using the agreed criteria for evaluating the various management and operating models for Seven Sisters Market. The scoring is justified and explained in the notes below and is based on the core functions of the various models and how they relate to this particular market.

Market Models

A total of 12 market management models were evaluated and scored based on the agreed criteria (see appendix 2). The evaluation revealed that six models scored more than 66% of the combined weighted scores and these were presented to the key stakeholders for their feedback. Each was requested to provide a steer on their preferred model(s) for Seven Sisters Market.

Models	Management and Operation			Total Score	Weighted Score	Social Value			Total Score	Weighted Score	Total Weighted Score	RAG
	40%	40%	20%			40%	30%	30%				
Total	40%	40%	20%	100%	70%	40%	30%	30%	100%	30%	100%	n/a
Social Enterprise	30%	35%	15%	80%	56%	35%	25%	25%	85%	26%	82%	Green
Cooperative	35%	30%	10%	75%	53%	35%	25%	25%	85%	26%	78%	Green
Partnership	20%	35%	20%	75%	53%	35%	25%	25%	85%	26%	78%	Green
Market Operator	20%	30%	20%	70%	49%	25%	15%	25%	65%	20%	69%	Green
Arms-Length	20%	30%	15%	65%	46%	30%	20%	25%	75%	23%	68%	Green
Local Authority	30%	30%	10%	70%	49%	20%	20%	20%	60%	18%	67%	Green
Joint Venture	20%	30%	10%	60%	42%	15%	15%	20%	50%	15%	57%	Amber
Freeholder Operated	30%	25%	10%	65%	46%	20%	5%	10%	35%	11%	56%	Amber
Shared Management	20%	30%	10%	60%	42%	20%	10%	10%	40%	12%	54%	Amber
Community Enterprise	15%	20%	10%	45%	32%	20%	30%	25%	75%	23%	54%	Amber
Trader Operated	30%	15%	5%	50%	35%	20%	10%	20%	50%	15%	50%	Amber
Voluntary	5%	5%	5%	15%	11%	10%	5%	10%	25%	8%	18%	Red

Scoring Notes

All the models can be tailored to a particular situation and therefore most have validity. However, the scoring and the analysis below helps to rate and establish the models that may be more applicable for Seven Sisters Market, the unique situation it finds itself in.

<p>Local Authority</p>	<p>Market and Operation</p> <ol style="list-style-type: none"> 1) London Borough of Haringey has no current budget to support the management of Seven Sisters Market. They would need to financially model the costs of the lease and their own operating costs in order to understand if this was affordable for the business. Under Licensing legislation local authorities are unable to make a profit on markets. In the case of Seven Sisters, which does not currently operate under licensing legislation, the freeholder may undertake a rental review every five years. Any increase in the cost of the lease would need to be passed on to the Licenced Traders or absorbed by the Council. 2) There are transparent governance arrangements in place for Member and Officer decisions. However, there are no current structure-in place for markets as the Council does not run or manage any. It does licence markets, but these are run by private operators and not the Council itself. There is regulatory expertise within the Council, but it has no department specialising in Market or Retail Development to help set up, manage and run the market. 3) London Borough of Haringey have no dedicated Markets team so currently do not have the in-house expertise to take on the management of the market. The council does have a Property and Regeneration Team that could facilitate the setting up of a team to run and manage the market. Timescales required to set up and establish a team to run and manage the market would take at least 12 months to put in place. This does not include any conveyancing time required to agree the lease. <p>Social Value</p> <ol style="list-style-type: none"> 4) Traditionally Local Authority-run markets have not focussed on market development initiatives, tending to concentrate more on its regulatory and statutory function. However, the London Borough of Haringey will benefit from having resources that specialise in business support and town centre management. However, these resources they will usually be spread across a range of projects and council objectives, as opposed to being dedicated to support the market. 5) The London Borough of Haringey could link employment, apprenticeships and start-up business opportunities for local people, targeting and prioritising residents when units become available- 6) The London Borough of Haringey is in a good position both in terms of its policies and wider strategy for Tottenham and Seven Sisters to ensure the market and other investment opportunities are complementary i.e. linked to additional social housing and need for good quality food for low income families provided by market traders.
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<p>Market Operator</p>	<p>Management and Operation</p> <ol style="list-style-type: none"> 1) Any operator would need to cover the costs of the lease, management (employees) and all operational costs. On top of this most operators would be required to make a profit to reinvest back into the business or pay shareholders. Apart from the first five years, there are no control measures in place to stop an operator increasing the costs of the licence. This could make it unaffordable for some existing Licenced Traders. Likewise, if the Freeholder decides to increase the lease costs at stipulated rent review periods, these costs would more than likely be passed on to the Licenced Traders by an operator. 2) Generally market operators have effective management structures in place to run and operate markets. Unlike local authorities they tend to be commercially driven and therefore will ensure any investment drives footfall and spend to the market. Operators will set up their own governance arrangements. Generally, like with most private sector companies, these are not regulated or audited. Depending on how operators set up and manage their business there may be no requirement to consult with traders on decisions relating to the management and operation of the market. 3) Generally operators are experienced and capable of running markets within existing teams. As the management of markets is the core business of any operator, they can usually mobilise quickly to commence the planning, resourcing and operation of a market. Owing to the sensitivities around the market, it could be a considerable risk for an operator to take on the lease, especially owing to the current state of the existing building and the unknown lease values of future market venues. <p>Social Value</p> <ol style="list-style-type: none"> 4) Operators can be best placed support traders and help grow the profitability of their businesses as they generally have been traders themselves or worked within the sector. An operator relies on good traders to help attract footfall and spend to the market and, it is within their interests to support existing traders and attract new ones to the market to keep it relevant. The profitability of a commercial operation requires operators and traders to work collaboratively together to help grow the market and generate profit. 5) Operators can provide and facilitate social benefits for local people. Markets are largely seen as providing some form of social benefit for the communities they are located within. A number of operators do facilitate and support some form of community events programme. However, the core focus of an operator is to make a profit. Therefore their resources will be channelled into ensuring this happens. Providing specific opportunities for local people over and above a successful market may be more challenging for an operator.
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	<p>6) A well run and managed market that caters to the local community in terms of the offer will positively contribute to the local area. There are many examples where privately run markets are seen as a focal point for a high street or town centre. However, equally one that is not well managed can have a negative impact on the perceptions of an area.</p>
<p>Trader Managed</p>	<p>Management and Operation</p> <ol style="list-style-type: none"> 1) Markets operated by traders are likely to want to keep all running costs associated with managing and operating the market low. This model will benefit from a shared ambition to run and manage the market as a business and maximise their profits. Traders will generally work together in the best interests of the market and wherever possible are unlikely to pass on any running costs to their own individual businesses. 2) Traders can and often do collaborate. But it is not untypical for there to be differences of opinion between traders on how a market should be managed and operated. Therefore strong governance arrangements are required to avoid any ambiguity. However, even when this is in place finding resolutions in relation to disputes can be difficult to solve and this can cause mistrust amongst traders. Conflicts of interest can arise and therefore a trader's association may be required to oversee decision making where agreement cannot be met. 3) This usually requires the setting up of a non for profit traders association and would need to be legally constituted owing to the lease arrangements that are likely to be required by any freeholders or leaseholders. This would require at least six to 12 months to set up. There would be a need to provide financial confidence to a leaseholder/freeholder that this was a reliable and robust association with rigorous processes in place to manage the operation of the market. <p>Social Value</p> <ol style="list-style-type: none"> 4) This model could facilitate traders to support one another and encourage entrepreneurship. Traders are more likely to focus on growing their business to ensure that it is profitable. Time and effort is likely to be also focused on the promotion of the market to attract footfall and spend. Traditionally most traders lack the skill and expertise in marketing and promotion of their business but this can easily be learned and adopted. 5) Using resources to put in place structures and deliver social benefits is time consuming and is likely to be limited owing to their primary function i.e. running the market and their own business. It is unlikely this model would deliver wider social benefits beyond employment. However smaller markets of this size and nature tend to generate very few additional employment opportunities as operating costs are minimised wherever possible.

	<p>6) Trader-run markets are likely to want to better integrate with the local area to attract regular custom. However, trader-run and managed markets will have less resources to concentrate wider initiatives and therefore the overall contribution beyond providing a great local market may be limited.</p>
<p>Freeholder Managed</p>	<p>Management and Operation</p> <p>1) Out of all the stakeholders, the freeholder has the most financial control in determining the lease value of the market. Whilst this will be calculated based on their capital investment they will take a long-term view in relation to the return in their investment. This means they may have greater flexibility as owner of the capital asset and leaseholder tenant. However this is not a usual arrangement but one that should not be discounted on this factor alone.</p> <p>2) The management and operation of a market by a freeholder is not common. Whilst they will have the capability to manage and maintain the building based on their core function as a property company, they will need to put structures in place for governance and decision-making arrangements. Governance and decision making may be less transparent and more likely to be driven by commercial interests. Owing to the size of the Seven Sisters Market and the associated annual income it is unlikely a freeholder would opt to run the market. Rather they would outsource this responsibility to a managing agent or a third party with particular knowledge and in-experience in retail or market management. They are likely to want the management arrangements to be well resourced especially if the market is part of a wider mixed used development offer.</p> <p>3) This model is likely to require the recruitment and/or formation of a team to oversee the development and management of the market. It could be that a freeholder opts to sub-contract some or all the services to a specialist provider. It is likely this process would take between eight and 12 months to finalise before operating the market could commence.</p> <p>Social Value</p> <p>4) This model is likely to focus on supporting the growth and resilience of the market. Different approaches to encouraging entrepreneurship by freeholders will mean some may provide more business support. Grainger, as part of the S106 agreement, will be meeting the costs of a market facilitator whose role will be to support Licenced Traders and provide additional business skills and acumen. Beyond this it is unclear if there would be further support for traders, but it is in the best interests of the freeholder to ensure there is a consistent income and that the value of their asset is maintained.</p> <p>5) This model may deliver fewer social benefits for the local community especially post the redevelopment of both sites.</p>

	<p>Certainly the regeneration may deliver local benefits for the community in the way of more facilities and/or retail diversity, but freeholders are unlikely to maintain a concerted social value focus post the development of the sites. However, the market may allow the freeholder the opportunity to deliver more social benefits than those traditionally associated with development and regeneration i.e. construction jobs.</p> <p>6) Freeholders depending on their business approach and ethos to place making can play a pivotal role in helping to shape a place that supports and benefits communities. The investment in the market by a freeholder, if sustained, could have a big influence on the perceptions of an area and help to create a new focal point for the town centre if managed and curated correctly and in collaboration with the licenced traders.</p>
<p>Cooperative</p>	<p>Management and Operation</p> <p>1) This model is designed specifically for traders to share in the success that a profitable market could provide. Like with the Traders model, traders are likely to keep costs down in order to maximise profits. As members are also the owners, they have a vested interest in making the cooperative a success.</p> <p>2) Cooperatives members are empowered to have a controlling stake in the business. There are many successful worker cooperatives in existence. Strong governance arrangements are required from the on-set and cooperatives have to be legally constituted. Democratic management is one of the cornerstones of cooperatives. To set up and constitute this, the traders would need to ensure that legal, fair, transparent and robust governance arrangements were in place.</p> <p>3) The strength of a Cooperative is the formation of a collective of members with the same interest. In the case of Seven Sisters Market, this should be all the Licenced Traders. Owing to the current situation, this could take to establish as the levels of trust amongst some traders has diminished. Potentially this process would need to be initially facilitated by an independent body in order to gain support from all the current traders.</p> <p>Social Value</p> <p>4) Cooperatives are a set of people with a common aim, usually focussed on the aspiration to jointly own and democratically control a business. Growing the business will be a key driver for cooperative members and like other socially focussed enterprises tend to focus on providing more opportunities and support for entrepreneurship. A cooperative’s members also work together as opposed to in competition with one another.</p> <p>5) Cooperatives can set aside some of their reserves to support local communities. Members will usually agree and vote on activities they wish to support. Therefore the traders could look to sponsor activities that provide welfare and support for the Latin American</p>

	<p>community in Haringey, or provide a crèche or community space/facilities for traders and their families.</p> <p>6) Cooperatives, owing to their ethos, tend to be outward looking. The success of any market largely depends on its offer and how it appeals to the local population. Therefore there is no reason why a cooperative-run market would not positively contribute to the local community of Haringey.</p>
<p>Arms-Length</p>	<p>Management and Operation</p> <p>1) This model is likely to be more affordable if the cost of the lease is <i>only</i> passed on from the freeholder or public body to the arms-length company. If any additional costs are passed on then this model would become more expensive to run and operate. and This would have a knock-on effect on affordability and sustainability of the model. However, outsourcing services to arms-length companies can be time consuming and expensive to establish but, this model would allow a public body to make a profit which could be reinvested in the market.</p> <p>2) A board and AGM could be established where key decisions are taken and communicated to relevant stakeholders linking it to company policy. A set of policies would need to be established for such a model in order to ensure there is no ambiguity around decision making.</p> <p>3) Whilst it can be time consuming to set up an arms-length company, it helps to separate organisations with an interest in ensuring the success of the market. This means dedicated resources will be ring-fenced to support the market and its operation, rather than spread across multiple projects. The added benefit of an arms-length company is there are less elongated compliance measures required to make decisions and they can operate more flexibly than public bodies.</p> <p>Social Value</p> <p>4) There is real opportunity to embed the social values of the local authority into an arms-length company. The added benefit of this model is that dedicated resources could be allocated to further this objective. Unlike the local authority model, this model can apply its resources to work with the traders to establish programmes around business support to help them grow. It could also have a policy around supporting and fostering new start-ups.</p> <p>5) This model could ensure that as part of its objectives it understands the local needs and develops opportunities that respond to and addresses these needs. Traditionally markets are good local employers. The set-up of an arms-length could focus on employing local people to run and manage the market, alongside prioritising local residents for any units that become available in the future.</p>

	<p>6) This model could help to better integrate the market with the local Haringey/Seven Sisters offer. It is more likely to respond to future needs and trends around shopping and leisure, and better understand the requirements of the local customer base to provide services and facilities that are relevant to the community.</p>
<p>Partnership</p>	<p>Management and Operations</p> <p>1) The Partnership model would usually appoint a market operator as the delivery partner for the market management and operation. However, this model can be tailored and there could be other delivery agents that are better suited to an individual market and its requirements. In the case of Seven Sisters Market and following on from the engagement with traders, it would be more appropriate to appoint an operator to be the delivery agent on behalf of the Partnership. The set up and establishment of Partnership would be more straight-forward and less expensive than the arms-length model. There would be additional operating costs associated with an operator and they would more than likely want to make a profit. However for a market of this size and given the fact that the units are not demountable, these costs should be less than a traditional market where on-site staffing tends to be higher. The costs associated with the involvement of the other partners - freeholder, leaseholder (if not the operator), council and traders – who sit on the board should be fairly low as they would only meet once a quarter to oversee the performance of the market against an agreed market strategy.</p> <p>2) The governance around this model is one of the most equitable and transparent. This is because all the local key stakeholders that have a stake in making the market a success would have equal voting rights on all decisions and disputes that impact on the operation, management and overall strategy. An agreed market strategy and governance should be developed and approved by all key stakeholders.</p> <p>3) The model could be established and implemented within 12 months. This model would be unique (no markets in London operate using this model) and potentially will help to address some of the long standing issues and tensions between the stakeholder groups. Resources would be required to set it up and initially this should be through an independent advisor or facilitator. This will help to ensure an equitable and fair process during the development stage and prior adoption and implementation.</p> <p>Social Value</p> <p>4) This model is likely to promote and foster business support for traders. This is because the end user (the traders) are key to the success of the market, along with the appointed delivery agent. This model is more likely to benefit from resources and/or advice from the other stakeholders that sit on the board. This means the model could be better linked to external opportunities such as</p>

	<p>grant funding or employment and training programmes run by the Council and others.</p> <p>5) This model, owing to its formation (multi-stakeholder), could develop a set objectives that meet needs and provide additional social value. The performance of these objectives could be monitored by the board, and there is more opportunity to lever in additional support and funding from the stakeholders for particular projects or initiatives (i.e. crèche, community centre etc.).</p> <p>6) This model is likely to want to better understand the needs and requirements of the local community. Licenced Traders are likely to be the main benefactors,-so any strategy developed by the Partnership that responds to the-requirements of the local community should meet with their support.</p>
<p>Joint Venture and Shared Management</p>	<p>Management and Operation</p> <p>1) The affordability of these models is bought more into question than the arms-length model. This is because essentially these models are contracted out rather than being wholly owned by the local authority. Therefore the costs passed on to the end users (traders) are likely to be higher, potentially making these models more unaffordable. It is unlikely that the shared services model would generate greater financial returns for the traders as most local authorities do not place emphasis or resources on the market development initiatives and tend to be more regulatory focussed. With a Joint Venture, the costs could vary depending on the size and resources attributed to the contacts by the private sector provider.</p> <p>2) Both these models could incorporate transparent governance arrangements to support decision making and the effective management and operation of the market. When services are subcontracted out by local authorities, there can be commercially sensitive information that cannot be shared with stakeholders. Generally this causes a sense of mistrust and potentially would exacerbate any existing tensions between some key stakeholders.</p> <p>3) Both of these models, especially the shared management model, could be time consuming to set up and establish. Owing to the sensitivity around the market and the legal process connected to the possible redevelopment of the existing site, it's probably unlikely that there would be much interest from other local authorities or private sector companies. This means these models have considerable delivery risk attached to them.</p> <p>Social Value</p> <p>4) Like the Local Authority model, the shared management model is likely to concentrate more on the regulatory and management functions than on social value. Also outsourcing social value objectives from one local authority to another could be problematic in terms of delivery. The Joint Venture model could support business growth but they are likely to attribute more costs</p>

	<p>to the value of the contract in order to facilitate and deliver this on behalf of the local authority. This is because they will want to minimise financial risks through the pricing of the contract and therefore the emphasis support the traders may be less important.</p> <p>5) Both models are probably likely to place less importance on the delivery of social value that support the local community, even if there is a contractual obligation. Social value by its very nature is difficult to resource and deliver through service contracts and is unlikely to be the priority of the other key stakeholders, who will be more interested in ensuring the market is well managed and has a high turnover of consumers.</p> <p>6) These models are likely to contribute to the overall offer of the place. The Joint Venture model will probably be more focused on the commercial success of the market as part of the local offer, whereas the shared management role is likely to concentrate more on the management and operation of the market and will be less commercial orientated.</p>
<p>Social Enterprise</p>	<p>Management and Operation</p> <p>1) Social Enterprises are non-for-profit organisations; however they can make profits to reinvest in the business or other agreed activities. They would generally operate to keep costs down where possible, but unlike a cooperative would not necessarily be run or wholly managed by the Licenced Traders themselves. The advantage of this model over the cooperative is that access to expertise is more available to set up, run and manage the business.</p> <p>2) Social enterprise models have a robust governance structure in place. This would be no different for a market. Governance is usually agreed during the formation of the company and its policies and procedures are generally publicised to its stakeholders to ensue transparency.</p> <p>3) The set up and mobilisation of a social enterprise to run and manage the market would take some time. This is mainly relating to financing which would need to be secured prior to, or shortly after, it is constituted. If the financial model is viable then access to finance may not to be too hard to come by. A social enterprise market that runs six days a week is likely to attract a lot of attention from potential grant funders which could help to support the initial running costs of the operation.</p> <p>Social Value</p> <p>1) The benefit of this model is it is both business and socially focussed, meaning that it is likely to provide more business support opportunities to help traders develop and grow their businesses alongside supporting other community organisations or projects.</p> <p>2) This model could be constituted so that it focuses in part on providing opportunities for local people, especially in terms of new trader vacancies and employment. It could also provide additional</p>

	<p>programmes around training and support or access to its facilities for community use or activities.</p> <p>3) A social enterprise usually has a link or a connection to the local community it's situated in. As the market has been in Seven Sisters for over two decades, a social enterprise run market will undoubtedly contribute positively to the offer of the local area and high street.</p>
<p>Community Enterprise</p>	<p>Management and Operation</p> <p>1) Community Enterprise are non-for-profit organisations. Their primary function is to serve the local community, providing a series of benefits that meet the community needs or aspirations. Costs could be lower with the community enterprise compared to a social enterprise, as whilst it runs as a business, there may be resources and expertise that are provided by the community at no cost to the business. Access to finance in relation to setting up and running the market using this model may be harder to come by. A demonstrable track record in managing and operating markets may be required to convince other key stakeholders, especially the freeholder who will want assurances around lease income.</p> <p>2) The governance structure relating to the community enterprise is likely to be more complex and require a good degree of engagement and consultation with the community. There may be a lack of expertise in running and managing markets, but the advantage with Seven Sisters Market is that there are already links and working relationships with some members of the local community.</p> <p>3) This model may be time-consuming to set up. Owing to the momentum around the Community Plan, local people may be mobilised to set this up sooner, helping to expedite the process. For this model to be a real success and worthy of considering, there must be strong support from the local community for it to happen. This is especially important when applying for grant funding and being able to demonstrate this.</p> <p>Social Value</p> <p>4) This model is unlikely to be as effective in business support, entrepreneurship and economic growth as a social enterprise. However, with the right level of resources and access to expertise, the model may be able to support and foster these objectives.</p> <p>5) This model is likely to demonstrate the highest degree of social value for a local community based on its primary purpose. Its core function is to benefit the local community and should seek to employ or provide opportunities for local people. However, key to its success is running a market that can generate additional income for the local community. There is currently no community enterprise that runs a market for more than a couple of days a week. Therefore the demands on community resources and time</p>

	<p>are likely to mean that this model is not practical option for Seven Sisters Market.</p> <p>6) This model, based on its primary purpose, should provide social value and benefits for the local community it is located within. However, this model may lack the resources and expertise required to truly have a big impact on the local area. This model would need to demonstrate its worth over other community initiatives which may be a higher priority in the Tottenham/Seven Sisters area, especially if they all require some grant funding support.</p>
<p>Voluntary</p>	<p>Management and Operation</p> <p>1) It is very unlikely this model would be suitable for running a six day a week market. Also this model would not be financially set up to meet the lease costs for the market space and would have no access to funding or finance should it require it.</p> <p>2) Volunteers would not be suitable solution to run and manage the market. From a practical perspective this would be high risk and would not be recommended.</p> <p>3) The setting up of a voluntarily run and managed market would be time consuming and risky. The main risk would be to traders and their businesses but finding enough volunteers with experience to run and operate the market would difficult to secure.</p> <p>Social Value</p> <p>4) A model run by volunteers is unlikely to yield positive results in terms of business support, entrepreneurship and growth. The coordination of these outcomes across a team of volunteers is unsustainable and unmanageable.</p> <p>5) The Volunteer model is likely to offer opportunities for local people. However these are likely to be modest in terms of their impact and inconsistent in terms of the programming of activities.</p> <p>6) Volunteer run markets are usually embedded in communities in some form as they are usually managed and support by local people. Nevertheless, markets run by volunteers are usually occasional and therefore their influence is limited.</p>

Appendix 5: Licenced Trader – Key Themes

The table below outlines the key themes that were identified during the engagement with the Licenced Traders. A total of 23 of the 37 Licenced Traders engaged in this review.

Theme	Explanation
Traders Business	Generally Licenced Traders say their businesses are doing well. Most traders have developed a loyal customer base.
Anti-social behaviour	There is a general view that the market is a place that attracts anti-social behaviour. Some Licenced Traders stated this is putting off potential customers from visiting and spending at the market.
Promotion	Generally most traders think the existing management need to do more to actively promote and advertise the market. Licenced Traders stated that owing to the uncertainty around the market and its future location, customers and/or members of Latin American community think it is closing down.
Investment	There is a general view there has been a lack of investment in the market and that this is impacting on trade and perceptions of the market. There was a nervousness from some Licenced Traders that the existing management would move to Apex House.
Maintenance	Many Licenced Traders think the existing maintenance and management of the market is not to the standard they would like to see/or expect.
Possible relocation	Nearly two thirds (13) of 23 Licenced Traders that took part in the engagement phase of this review were supportive of a move to Apex House. Six were not supportive and three were undecided.
Rental costs	There is no consistent rental formula for units and there are variances in the amount of rent each Licenced Trader pays.
Future Rental Costs	Most Licenced Traders were of the view that they could meet the rental costs outlined in the s106. Traders have concerns about the rental costs once the s106 obligations cease (after 5 years). This makes it difficult for them to plan their business.
Equipment	There was concern from some Licenced Traders regarding additional costs they may need to meet for new equipment that was not covered by the s106 agreement.
Communication	A number of Licenced Traders did not seem to be fully informed on the s106 obligations that affect them. Currently there is a lack of information and a defined process for dealing with any move to Apex House, including the selection criteria for units.
Storage	Traders have concerns about the lack of storage space at Apex House. Many currently use their mezzanines as storage.
Food and beverage	Licenced Traders in food and beverage would like their own dining space as they currently have as opposed to a general dining space used by all customers which is being proposed for Apex House.
Management regime	Most were not supportive of existing Licenced Traders running and managing the market owing to potential conflicts of interest. Some traders were interested in taking over the management and operation of the market but they were in the minority.

Appendix 6: Case Studies (Top Scoring Models)

Local Authority Market

Most general markets that operate most days of the week and cater to a range of disposable incomes tend to be run and managed by local authorities. These markets are often the focal point for the town centre or places they are located in. Most tend to be outdoor markets, but there are a few indoor locations.

One such market is Queens Market on Green Street in the borough of Newham. The market is large with over 160 pitches and operates four days a week. Queens Market has a long history and has been a feature of Green Street for over 110 years. Its current location was established in the early 1980's when it became a covered market.

Queens Market services the local population which is predominately South Asian, but also has a number of produce traders that supply restaurants in the local area. It too was earmarked for redevelopment in 2009, but this planning permission did not progress. The London Borough of Newham Local Plan states that the market is a protected use and any redevelopment of the site would require it to be provided. Whilst it is a busy market and seen as one of the key assets in Green Street, the building has had a lack of investment. The council is looking to invest in improving the look, feel and function of the Market and recently received development funding from the Mayor of London's Good Growth Fund.

Market Operator

The majority of markets that are not local authority run tend to be run by market operators. Therefore, it is no surprise they are generally rated as some of the best and well-managed markets in the country. In fact, the majority of the top 12 rated markets in Time Out are all run by market operators.

One market that is not in the top 12 but probably has more relevance to Seven Sisters Market is Tooting Market in South London. An indoor market, it has a number of small businesses, from Caribbean grocers, small restaurants and other stores like a clothing repairs and alterations store, mobile phone and accessories stalls, a travel agent and a nail bar. It is curated by its tenants and this creates a nice variety in terms of its look and feel. The operator has secured a good range of traders that represent the local community and their needs. There is a nice mix of new entrepreneurs and more traditional traders.

The market has won many awards and its dedicated management team have helped to create one of the best loved local markets in London. The management team have worked tirelessly over the years to curate and grow this market, working closely with its traders to ensure its success. It started off in similar circumstances to Seven Sisters Market, but the operator has invested in the market to make it a successful hub for small businesses and it's now one of the main attractions in Tooting town centre.



Partnership Model

Currently there are no partnership models in existence in London. Seven Sisters Market has a number of interested parties that maintain they want the market to stay in the area and be one of the key retail and entertainment offers. This presents a unique opportunity to do something different and utilise a range of expertise and resources to develop it into a viable working model. It combines elements of all the top scoring models and ensures that all the key stakeholders have a role to play in making it a success.

This model will help to develop and grow the market in the best interests of the traders and the local community. If implemented this would be the first model of its kind in London and possibly the UK. As Seven Sisters finds itself in an unusual position, this model has the opportunity to repair and restore trust among the key stakeholders and ensures cross party responsibility for the management and operation of the market.

Cooperative

Britain's traditional and specialist markets are increasingly being run and managed by people who know the market industry the best. As councils and traditional operators have abandoned markets across the country, worker co-operative markets - those owned and run by stall holders - have often been stepping in to fill the void.

Research from Co-operatives UK has revealed that almost six out of ten people have bought from a street or indoor market in the last year. While over the last five year the National Market Traders Federation (NMTF), which represents more than 25,000 traders and market organisations, has seen a 24 percent drop in membership, co-operatively run markets have been steadily increasing.

This market only operates one day a week. This is primarily due to where it's located; it's likely to have a smaller catchment and therefore cannot sustain itself for more than one day a week. Traders operating businesses at Seven Sisters Market have proven that it is a successful and profitable market and therefore there is no reason why a Cooperative model could not be established to run six days a week.

Cottingham Market Traders Cooperative, East Yorkshire

This weekly market operates on a Thursday and has a capacity of up to 20 stalls. It is a general market that provides a range of commodities including food, household goods and fashion. The market was originally operated and managed by the local council. A Cooperative model was set up as the market was threatened with closure due to lack of public funding. Traders decided to act to save the market and applied to East Riding of Yorkshire Council for a licence. They have successfully run and managed the market since 1996.

Thame Market, Oxfordshire

A bustling weekly market established by a traders' Cooperative. The market has been run and managed under an agreement between traders and the town council since 1974. This co-operative agreement has resulted in establishing a successful market with relatively low rent, good level of spending footfall and strong demand for new traders. A positive working relationship has developed between the traders' Cooperative and the council which ultimately benefits both parties and the town centre.



Social Enterprise

Social Enterprise Markets are increasing due to the demand for markets but the reluctance of local authorities to take on more. Many operator run markets will tend to be located in places or operate on certain days of the week where/when they are likely to be more profitable, benefiting both the businesses and their traders.

Social enterprises are non-for-profit and therefore they tend to grow more organically and service a wide range of people. Whilst social enterprises have grown across the UK, the

markets sector is still a small proportion of an estimated 99,000 that are currently operating in the country today.

Two social enterprise markets that are well known and based in London are Broadway Market and Brixton Station Road Market.

Broadway Market

This market runs on a Saturday only and is extremely popular, drawing local shoppers and visitors from a wider catchment. It started in 2004 and is run and operated by Broadway Market Traders and Residents Association Community Interest Company (CIC). All the profits made by the CIC are reinvested into the local community, including charities and public sector services such as the primary school which is adjacent to the market. The school also supports the market by allowing the use of its playground for up to 45 stalls.

Brixton Station Road Market

Brixton Station Road is a daily market run and managed by Brixton Market Traders' Federation Community Interest Company (CIC). Like Broadway Market, all its profits are reinvested back into local community projects. It has a dedicated team of market experts that run and manage it. Their strategy is to have a theme on some days to create a point of difference and attract a wider audience. The market has over 80 traders, many of which have been successfully trading for many years. Despite being located across three streets, the management curate the market very well, meaning visitors and shoppers usually explore and browse all three that benefits traders and helps to keep churn low. The management and the traders are particularly good in promoting the market via social media platforms and the merchandising of products is done well and with the customer in mind.

Arms-Length

Glasgow City Council runs its wholesale and retail markets via an arms-length company. They established a limited liability partnership, though the council retains the ownership of the assets but has transferred the lease to the arms-length company. The Board of Directors of City Markets (Glasgow) consists of elected councillors and officers. Through this arrangement they have been able to provide dedicated resources to support the markets and their traders and have been successful in securing capital and grant funding to support various priorities and initiatives.

Appendix 7: S106 Trader Obligations for the Wards Corner Development

July 2012 Section 106 - Key Provisions

- A right for existing traders to be offered a lease or licence in the new market;
- Consultation with the traders over the new market's layout; and
- A temporary market to be established, and existing traders to be offered a unit in it, with a 3-month rent-free period.

July 2017 Section 106 Deed of Variation - Key Additional Provisions

- Temporary market to be located at Apex House;
- Free relocation (including installation of all non-demountable and demountable fixtures and fittings) to all traders who hold a licence from the market operator and who are trading in the market at the time when Grainger serves notice on the Council that the market will close (at least 6 months' prior notice will be provided);
- Grainger will ensure that the move to the temporary market is advertised to raise awareness about the proposed location. Grainger will then ensure that the temporary market is advertised once open to the public;
- All traders who are in the temporary market will be provided with 6 months prior notice of the closure of the temporary market and the opening of the new market;
- All traders who have been trading continuously in the temporary market for 3 months before Grainger submit details of the new market to the Council, will be offered a stall in the new market;
- The first three months in the temporary market will be rent free;
- In the new market, the licence fees for the first 18 months will be at a 30% discount against the agreed licence fee;
- Licence fees shall increase 2% per year for the duration of the temporary market and the first 30 months of the new market; and
- The licence fee will never increase more than once a year.

Appendix 8: Licenced Trader Questionnaire

These questions are designed to find out more about your business, market management and the *possible* relocation to Apex House.

They will help the independent advisor understand more about your business, your aspirations, concerns and priorities for the future management of Seven Sisters Market.

All information is completely confidentially and will not be publicly available. However your information will be recorded as an evidence base and will contribute to the development of the final independent report on the future management models for Seven Sisters Market.

You are requested to provide as much information as possible. These questions have been sent to you in advance to help you prepare for our one to one meeting. An independent interpreter will be made available if required.

A) Your Business

1. How good is business and trading?

Good Average Bad

i) Please explain your selection and the reasons behind this; and

ii) Tell us how you think it could be improved.

2. How do you think trading at Seven Sisters Market could be improved to make things even better for licence holders?

3. What is your weekly rental costs?

4. What are your weekly overhead costs including salaries?

5. How many people do you employ?

Full time Part time Casual basis

Please explain your reasons why.

6. What do you think are the two main elements about your business that makes it successful?

7. Do you feel that your business with the right support could grow i.e. become more profitable and resilient? If so, what business support do you think you need?

8. Is your core customer base mainly from London's Latin American community?

9. Would you also like to attract others to visit and buy from you? If so, how do you think this could happen?

B) Market Management

10. What do you think is working well with the current management model and why?

11. What ideas do you have that would greatly improve the management of the market?

12. What would you top three priorities be for the future management regime for the market?

13. Would you like licenced traders to have a greater involvement in developing and co-designing the market strategy for Seven Sisters Market to attract more footfall, increase spend per head, raise the profile of the market etc?

14. In your opinion and from experience, which market should Seven Sisters try to emulate? Please explain your reasons why.

C) Apex House Relocation

15. Are you generally supportive of the move to Apex House? Please explain your reasons why in relation to your business only.

16. What are your two major concerns about the relocation to Apex House and why?

17. Have you been informed how much you will have to pay for your licence for the five years if you relocate to Apex House? If so, how much is it?

18. If the lease costs will be higher at Apex House, do you feel that your business will be able to sustain this?

Yes No

Please explain your reasons why.

19. Have Grainger confirmed that your relocation and fit out costs will be met by them?

20. Would you like to be actively involved in the design, layout and fit out of your new trading premises should you choose to move to Apex House?

21. What business support do you need to help with the relocation to Apex House? Please explain your reasons why and how this will support your business to make the move.

Appendix 9

Schedule of Key Stakeholder comments to Draft Report (17/12/2019) and Independent Consultant response

The table below details the Key Stakeholders' responses to the draft report (dated 17th December 2019) into the review of the future management models for Seven Sisters Market. In accordance with the agreed Terms of Reference (see Appendix 1), the independent consultant has considered these comments in light of the scope of the review and has provided a response. Where the draft report has been amended this has been recorded for auditing purposes. Comments regarding the formatting and/or grammatical errors of the draft report have not been detailed in the table below.

Grainger Plc			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Executive Summary			
2.1.1	I wonder whether it's 'future' possible management models?	This is correct. The models outlined in the review relate to the future management of the market and not the existing arrangement. The existing lease for the market between Transport for London (TfL) and Market Asset Management (Seven Sisters) Ltd (MAM) is due to expire in September 2020.	Yes
2.1.4	You say the recommended model <i>will</i> help to deliver benefits. This is your opinion. I'm not sure it comes across as being your opinion.	Agree. The report has been updated to now state: '...it is my opinion the recommended model will help to deliver a set of benefits and more importantly assurances that all the stakeholders are seeking'.	Yes
2.1.5	You suggest the divisions in the market have been created by the regeneration. I believe they've always been there.	Based on the interviews with the Licenced Traders, the general view was that divisions between <i>some</i> groups of Licenced Traders have been exacerbated over the last 10 years. From discussions with Licenced Traders they were more united prior to 2009 in wanting to remain at the current Wards Corner site.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
2.1.5	The use of 'particular circumstances' is rather vague. I appreciate this is the executive summary, but it doesn't explain what the circumstances are.	The report has been updated to elaborate further: 'Based on the particular circumstances Seven Sisters Market finds itself in relating to the redevelopment proposal for the existing market site, the legal challenges that have been brought against the Planning and CPO decisions, and the divisions these have caused between some Licenced Traders and between some key stakeholders, it is vitally important for the key stakeholders to come together and develop the model further to suit their combined requirements and aspirations.'	Yes
2.1.9	Your last word in this section is 'Tottenham'. I think the market is unique to the UK, not just this area of London.	Noted. There is currently a Latin American offer in Elephant and Castle, although this is under threat from development proposals in this part of London. However, I agree the combined offer of Seven Sisters Market is unique and unlike anywhere else in the UK. The text has been updated to reflect this.	No
Scope of the Review			
3.1.1	Commissioned by Members of London Borough of Haringey, rather than just London Borough of Haringey?	Report amended to: 'The review was commissioned by the London Borough of Haringey on behalf of the Wards Corner Policy Advisory Group (see Appendix 1) to assist the council and its key stakeholders to better understand the range of possible management models for Seven Sisters Market that could be considered for the future operation of the market.'	Yes
3.2.3	I don't think 'apparent' is needed. As far as I'm concerned all stakeholders are willing to find the right solution for the market.	Agree to remove the word 'apparent'. During the engagement with all the Key Stakeholders, they all wanted to find the right solution, despite there being some.	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		differences as to what the best solution for the market is in terms of location and management model	
3.2.4	I think the concept of piloting a management model is impractical. What do you revert back to if the pilot doesn't work?	<p>Any preferred model could be piloted if there is a willingness by the key stakeholders to do so. The concept of piloting is not impractical and the risks could be mitigated through the development of a market strategy co-designed by the Key Stakeholders. This along with an agreed set of management model guidelines and policies should form part of the tender opportunity for the lease.</p> <p>The draft report text related to the original view that a shortlist of possible models would be recommended for further development by the Key Stakeholders. The independent consultant is now proposing that the Partnership model is developed and implemented for Seven Sisters Market. This model could still be piloted and, if necessary, amended to address any unforeseen circumstances. If it was to be unsuccessful, the reasons for this would need to be analysed and this should inform the development and implementation of a future management model.</p> <p>The text has been amended to reflect the recommendation in section 7.3 (Recommended Market Management Model) to: 'In order for any management model to be further developed and implemented, the key stakeholders will be required to work together in an open, transparent and collaborative manner.'</p>	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
3.2.5	I disagree that the preferred models need to be worked up with no site in mind. Your report lands on a recommended model. This should be worked up with the move to the temporary market in mind. From what your report says, this is what the majority of traders want to see.	The scope of the review was to understand the range of the management models and how they performed based on the agreed criteria and through engagement with the Key Stakeholders. The review was not designed to select a model for a particular location, though it was conscious of the possible locations (i.e. the existing site and possible future sites). I am confident that the recommended model would be applicable to all these sites and therefore I am proposing no changes to the draft report.	No
Background			
4.1.2 b	Needs to be clear that the 30% discount is at the new market, not temporary market	Agree. Text amended to: <ul style="list-style-type: none"> • three months' rent free at Apex House (<i>temporary site</i>); and, • a 30% discount on the first 18 months' rental payments (<i>permanent site</i>) 	Yes
4.1.2 d	Grainger to meet the costs of the Market Facilitator to support the move to Apex House <i>and back to new market</i> .	Agree. Text amended to: 'The commitment by Grainger to meet the costs of a Market Facilitator to support the Licenced Traders with any proposed move to Apex House and to the permanent new Wards Corner site for market.'	Yes
4.2.1	London Underground Limited, a wholly owned subsidiary of TfL are the landlord of the lease.	Agree. Text amended to: 'The current lease between Market Asset Management (MAM) and London Underground Limited was agreed in September 2015.'	Yes
4.2.1	Your interpretation of the guarantor provisions is not correct. Grainger Seven Sisters guarantees the rent and insurance, the repairing obligation which is limited by a schedule of condition and the reinstatement	Agree. Text amended to: 'Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger PLC is the Guarantor for the rent and insurance, the	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	obligations at the end of the term. We would have no ongoing responsibilities under the lease to London Underground if MAM no longer had the lease. This must be updated	repairing obligation (limited by a Schedule of Condition) and the reinstatement obligations at the end of the lease term.'	
4.2.2	You say the lease terms are unknown but you've said at 4.2.1. what you think the guarantor provisions are. This appears to be inconsistent.	The complete details of the current lease arrangements, albeit those relating to the period of the lease and the Guarantor terms, are unknown. Text amended to: 'The complete details of the current lease are unknown and are not relevant to this review.'	Yes
4.2.3	London Underground Ltd renewed Market Asset Management (Seven Sisters) Ltd lease. They did not grant them a new licence.	Text amended to: 'They developed a business case that outlined how they would meet the costs of the lease, but LUL agreed to renew the lease to MAM.'	Yes
4.3.6	Perhaps you can define the practice of trading licences as 'key money'.	The report explains the situation adequately around the unauthorised sale of licences by previous Licenced Traders.	No
Evaluation Criteria			
5.1.2 a	You mention two thirds in the last line, but it's 70%.	Agree. Text amended to: 'This is one of the reasons why the weighting accounts 70% of the overall score.' Change also made to 5.1.2 b to ensure consistency: 'This is one of the reasons why the weighting accounts 30% of the overall score.'	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Key Stakeholder Engagement			
6.3.9	I'm not sure I understand what an 'agreed approach to the management of the market' is. It sounds a very idealistic wish. Can you expand on this? Is it simple things like hours of trading, or is more to do with more complex matters such as in what instances licences can be / are terminated for breaches?	Text updated to: 'The agreed approach to management encapsulates the development of a dedicated market strategy that sits alongside a set of policies and guidelines. Licenced Traders are keen to help shape how the market should be run and managed to ensure all parties benefit from this commercial relationship. So it would include a range of factors from opening hours, marketing and promotion, commodity mix, licence conditions, dispute resolution, process for termination, appeals etc.'	Yes
6.4.9	You state that Market Asset Management have not taken measures to prevent vandalism but you mention above that there is a code for the toilets. What else could they do?	Monitoring the situation and changing the access code would be some options. There is on-site management and this is something that requires a solution for the existing site and any future location.	No
6.4.10	You've said that lease terms are unknown at 4.2.2 but here you say Market Asset Management are obliged to do something under the lease.	See 4.2.2 above.	No
6.4.11	The previous leaseholder did not create the mezzanines. The mezzanines were created when they were the leaseholder by licence holders.	Texted updated to: 'MAM stated many of these mezzanines were unapproved alterations to the market done by <i>some of the Licenced Traders (existing or previous)</i> under the previous leaseholder and that they are pursuing a number of ongoing enforcement proceedings.'	Yes
6.4.11	I don't believe that traders do pay Market Asset Management for the upper space. Licence fees are meant to be based on the ground floor only.	The current report text was confirmed in correspondence with Market Asset Management.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
6.1.4	You say that Market Asset Management have maintained proposals to promote the market were raised at the Steering Group but rejected by the group. This is my recollection.	Confirms report text.	No
6.5.1	Should be LUL not TFL.	Amended text to: 'London Underground Limited (LUL) is the freeholder of the current market building. LUL is wholly owned subsidiary of Transport for London (TfL).'	Yes
6.5.2	The previous tenant was a private individual, not a business.	Removed following text: Like with the previous tenant' so the sentence now reads: 'MAM is a privately-owned retail business which manages and operates the market.'	Yes
6.5.2	Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger plc is the guarantor.	Amended text to: 'Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger PLC is the guarantor for the performance of some of MAM's covenants in the lease to TfL.'	Yes
6.5.6	First sentence should say directors of Market Asset Management (MAM), not just MAM.	Text amended to: 'There have been some well documented incidents between the <i>Directors of</i> MAM and some of the Licenced Traders.'	Yes
6.5.6.	Should state: the action taken 'by TfL'.	Text amended to: 'These have been fully investigated by TfL and whilst wrongdoing was found on one occasion, the action taken <i>by TfL</i> to remedy this was not regarded as proportionate by the Licenced Traders who were directly affected.'	Yes
6.5.7	Should state: the Wards Corner building, not just Wards Corner.	Text amended to: 'TfL has publicly stated that Wards Corner <i>building</i> has come to the end of its economic life.'	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
6.5.8	Grainger will be building the whole development and not just the market to exacting standards.	Current draft text explains this reason for the appointment.	No
Management Models			
7.1.12	What issues do traders want voting rights for?	The Licenced Traders representatives that are elected to sit on the Partnership Board would get voting rights like all the other Key Stakeholders that are represented on the board. All Board Members will have rights to vote on any issues that raised with (i.e. Market Operator) or by the Board. Text has been updated to reference paragraph 7.4.12 (Board Arrangements).	Yes
7.2.4	Two separate purchases' – I'm not sure I understand what this means. Can you explain?	The two trustees of the West Green Road and Seven Sisters Development Trust regard the lease of the land and the ownership of the market as being two separate transactions. It is <i>assumed</i> by this they are referring to the possibility of securing the land as part of the Community Plan for development (one purchase) and/or securing the lease of the existing market in relation to the current site (another separate purchase). So they see a set of possible purchasing options going forward.	No
7.2.4	A Mutual model would not be a preferred option for Grainger.	Noted but no change to the text which is in relation to an alternative proposal to the models that were presented to all the Key Stakeholders.	No
7.3.5	I can't see how a partnership model could be taken forward in the short term. Why would MAM sign up to this?	Like with any model, this would require the negotiation and agreement of the relevant Key Stakeholders. However, the text may be somewhat misleading by stating: My recommendation to the Wards Corner Policy Advisory Group	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		and the other key stakeholders is that the Partnership Model would be the most appropriate model to be taken forward in at least the short to medium term (i.e. from <u>now</u> until the initial five-to-six-year period has ended).	
		<p>By ‘now’ it means putting in place a process to allow the tender process to commence and a new lease contract to be in place in time for either a move to Apex House (August 2020) or the expiry of the existing lease (September 2020).</p> <p>Text updated to: ‘My recommendation to the Wards Corner Policy Advisory Group and the other Key Stakeholders is that the Partnership Model would be the most appropriate model to be taken forward in at least the short to medium term. The Key Stakeholders should start preparing now to put in place a programme to allow the tender process to commence and a new lease and contract to be in place in time for either a move to Apex House (August 2020) or the expiry of the existing lease (September 2020).’</p>	
7.4.5	I disagree that there was a conflict of interest with MAM being operator and Quarterbridge being facilitator. How have you reached this conclusion?	This conclusion has been reached based on the fact that there were on-going issues between Market Asset Management and some of the existing Licenced Traders at the time of the appointment and up until late 2018. Grainger terminated the contract with Quarterbridge owing to the level of conflict and disputes between some of the Directors of Quarterbridge and	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		<p>some of the Licenced Traders. The term facilitator states: <i>A facilitator often helps a group of people to understand their common objectives and assists them to plan how to achieve these objectives; in doing so, the facilitator remains "neutral", meaning he/she does not take a particular position in the discussion.</i></p>	No
7.4.5	How do you envisage all stakeholders, including licence holders, developing a strategy? Who writes this / delivers it?	<p>This should form part of the Market Facilitator role that Grainger are responsible for appointing. It should be led by the facilitator and co-designed with the Key Stakeholders.</p> <p>Text updated to (last sentence): ‘The drafting and delivery of the market strategy should form part of the scope for the Market Facilitator role that Grainger are responsible for appointing.’</p>	Yes
7.4.9	Point 1 - you’ll struggle to get two thirds of traders to agree, let alone to an operational model. Gaining their agreement is impractical and will be seen by some as a way to slow down the process. Also, 2/3 isn’t a majority.	<p>Achieving buy-in and support for the Partnership Model from more than two thirds of the Licenced Traders should be the ambition. The Market Facilitator should play a pivotal role in working closely with the Licenced Traders so as to develop further support for this model during the development of the market strategy, guidelines and policies. Removed ‘majority’ reference. However, I note this may not be practical based on the current uncertainties. However, I think this should still be the ambition and I have not amended the recommendation in 8.7.</p> <p>Text updated to:</p>	<p>Yes</p>

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		<p>1. That all the key stakeholders agree to move forward with this model. The appointment of the Market Facilitator by Grainger should help to secure further support for the Partnership Model during the development of the Market Strategy for Seven Sisters.'</p> <p>Note that recommendation 8.6 c has been updated to state:</p> <p>'Ideally seek the support of more than half (18) of Licenced Traders for the Partnership model and progress with its development. This ambition should not delay the appointment of the Market Facilitator if the Key Stakeholders agree to move forward with the development of the Partnership Model.'</p>	
7.4.9	Point 2 -who agrees the selection process?	Text updated to: 'The individual organisation or group (i.e. the Licenced Traders) will decide the selection of who represents each Key Stakeholder group. The Market Facilitator could facilitate the selection of the trader representatives that sit on the Partnership Board through a ballot process.'	Yes
7.4.20	To my mind it makes no sense for the operator to administer the board, if the board is designed to hold them to account. Grainger will be willing to administer the board, but for independence it may be best for the GLA, if they are willing to do so.	The Market Operator will be required to report on a range of operational matters that are of interest to the board. Therefore it makes more sense they administer the board i.e. prepare papers/ reports, take notes, update action tracker, agree agendas etc. However, it will be up to the Key Stakeholders to decide how they want the board to function and be managed/administered.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Recommendations			
8.4 b (now 8.6)	Who do you envisage drafts this?	Text update to include: 'The Key Stakeholders should develop a Memorandum of Understanding and outline their commitments to work collaboratively in the best interests of the market. The Market Facilitator should support this process and act as an independent advisor and arbiter (if required) to ensure a realistic set of commitments from across the Key Stakeholder organisations and groups (i.e. Licenced Traders) are made.'	Yes
8.4 c (now 8.6)	See my comment above, but what if traders didn't support?	See 7.4.9 above.	No
8.4 g (now 8.6)	Is commenting on the procurement of the Market Facilitator outside of your Terms of Reference?	Text update to include: 'Whilst the scope of the review is to provide a series of recommendations on the future management model(s) for Seven Sisters Market, both the management model and the appointment of the Market Facilitator are interrelated especially during the development phase (pre tendering of the new lease). There is a real opportunity to ensure that the appointment of the Market Facilitator supports the smooth transition to a Partnership model and delivers a set of outcomes that the Key Stakeholders want to see.'	Yes
8.5 b (now 8.7)	TfL aren't involved in the temporary market, so will not be involved in the selection of the operator.	This is in relation to the possibility that the redevelopment of the Wards Corner building may not proceed owing to the owing to the ongoing legal challenge.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		<p>However, if the market moves to Apex House this would assume that the redevelopment of Wards Corner building will proceed. As LUL are the Freeholder of the market section of the Wards Corner building, they may want to be involved in the process. This will be up to Key Stakeholders to decide and there is a view that TfL should play more of an active role in finding the right solution for the market.</p>	
8.5 e (now 8.7)	I do not believe this is practical within the timescales.	<p>The intention should be for the traders to come together and set up an association or group to ensure their interests are channelled via their representatives who sit on the Partnership Board. It is important that there is a process in which the representatives can update all the Licenced Traders on any outcomes/resolutions from the Board as well as an opportunity for Licenced Traders to raise and debate issues and agree on what should be escalated to the board for consideration.</p> <p>Text updated to include: 'It is important there is a process in which the representatives can update all the Licenced Traders on any outcomes/resolutions from Board as well as an opportunity for Licenced Traders to raise and debate issues and agree on what should be escalated to the Board for consideration.'</p>	Yes
8.5 h (now 8.7)	Are you asking here for Grainger to confirm who pays for fit out?	<p>Yes. Text has been updated to include: 'This should be made clear to Licenced Traders, including the possible implications of how and whom will meet these costs in the medium term (first five years) and then after five years, especially if it is likely these costs will be recouped through</p>	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		future rental charges to Licenced Traders. The businesses need to understand any future cost implications and plan for these.'	
8.5 I (now 8.7)	I do not believe any operator will be willing to grant traders anything other than a licence. As landlord this is not something Grainger would support either.	<p>This is not suggesting that Licenced Traders are granted an alternative to the existing licence (i.e. a lease), rather that there is more security than is currently offered whereby the leaseholder can terminate the licences with only 28 days' notice for no particular reason meaning that Licence Traders do not enjoy security of tenure. The question is could the licences mirror the lease review periods.</p> <p>Text updated to include: 'Currently the leaseholder can terminate the licences with only 28 days' notice for no particular reason meaning that Licenced Traders do not enjoy any security of tenure.'</p>	Yes
Conclusions			
9.2	The traders have never had control of the market. How can you take back something you've never had?	Noted. Licenced Traders may get to the point where they want to have greater control in the management and operation of the market (i.e. Cooperative model). However, as stated in the report this would take some time to set up and owing to the current divisions between some Licenced Traders would not be appropriate to recommend in the short-to-medium term.	No

Deputy Mayor for Planning, Regeneration and Skills			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Contents of email			
1.0	<p>Thank you for your email and for sharing the Seven Sisters Market draft report on potential management models. I understand you have liaised with officers at the GLA and TfL in the drafting of the report.</p> <p>The Mayor and I are committed to supporting London's vibrant street and covered markets. Markets are expressions of our diverse communities. As well as offering Londoners a broad range of economic, social, and environmental benefits, they also provide important opportunities for people from different backgrounds to come together. Given all of this, I support LB Haringey's commitment to work collaboratively in developing a management solution for Seven Sisters Market that safeguards its role in serving the local community and I look forward to hearing the outcome of the stakeholder consultation.</p> <p>I believe Transport for London will be in touch with you separately regarding the report. I am sure you will keep officers at the GLA updated with the progress in the New Year.</p>	Comments noted.	No

London Assembly Member for Enfield and Haringey			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Contents of letter			
1.0	<p>Thank you for allowing me to comment on the Draft Independent Review of Seven Sisters Market.</p> <p>This market is valued, serving not only the local area but in particular the Latin American community more widely. The aim, whichever management model is adopted, must be to ensure market is successful and the small businesses that are there can succeed and thrive well in to the future.</p> <p>Over the past 16 years I have raised issues on the trader's behalf with various stakeholders. Throughout this time, they have lived with great uncertainty as to their future, causing much distress and worry. I sincerely hope that this review can mark the beginning of a fresh start to all concerned.</p> <p>As noted in the review the traders are on licences which offer little security and (especially recently) have felt extremely vulnerable to any action from the current market operator which has led to a breakdown of trust. Most recently the market operator unexpectedly and with little notice announced a rent hike. After raising this with the Deputy Mayor for Transport and facilitating a meeting between the traders and TfL I am pleased this has been put</p>	Comments and observations noted.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	on hold. They deserve better.		
2.0	<p>The review has highlighted and addressed key concerns, namely:</p> <p>Transparency and good governance - this is essential to ensure trust and for traders to feel they are being treated fairly. There have been previous incidents where some traders have felt they have been treated unfairly and discriminately (substantiated by a subsequent TfL investigation);</p> <p>Co-design and co-produced strategy - this is essential as traders need to know they are part of decision-making process and their input is valuable. This has been a long-standing complaint with many traders feeling that their input and suggestions have been ignored - they know what their businesses need to succeed;</p> <p>Support from those who have influence over decisions - Grainger, the London Borough of Haringey and TfL need to support the market and traders going forward.</p> <p>A marketing strategy - this is essential to future financial stability. As the review notes the market has had little investment and is in a poor state of repair. Many people do not realise it is there as signage is poor and entrances unclear. This market could be a confident, thriving</p>	Comments and observations noted.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	<p>independent market, marked by its distinct Latin American traders, if given the right resources and support.</p> <p>Certainty for traders - the current s106 agreement allows for fixed rental costs for 5 year period. I support the review's suggestion that Grainger, the developer, could give "greater certainty and visibility on the lease arrangements", as this would allow traders to plan and invest with more certainty.</p>		
Comments			
3.0	<p>The review recommends a Partnership model "that combines the benefits of an operator model with an extra layer of oversight from the key stakeholders" and highlights the need for collaboration and common purpose. The review also sets out other options that could be implemented but concludes that other options would take at least 12 months to implement.</p>	<p>Noted. The Operator Model and the Partnership Model are the only two that could be implemented within the timescales outlined in the Terms of Reference (see Appendix 1).</p>	No
4.0	<p>I understand the reasons the review has come to this conclusion, especially given the criteria that was set. To work effectively there has to be a common purpose and good faith on all parties in order to rebuild trust and ensure collaborative working. I note the proposed makeup of the new Partnership Board gives 3 seats to traders (independently elected), as opposed to 6 seats to other interested stakeholders. I would ask that additional representation is considered for the traders. I would also ask that traders are not only involved in the shortlisting process</p>	<p>Noted. The suggested make-up of the board is based on ensuring that all Key Stakeholders have strong representation and voting rights. The purpose of the board is to ensure that the agreed market strategy is implemented and that there is compliance from the Market Operator with the agreed policies and guidelines developed by the Key Stakeholders'. It is up to the Key Stakeholders going forward to decide on the final number of seats held by each stakeholder on the board. There is a recommendation that all the Key Stakeholders are involved in the pre-qualification evaluation and the selection of</p>	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	for a new operator, but also in the final decision (this may be intended).	the Market Operator for the Partnership Model (see 8.5.b – now 8.7 b).	
	The review also notes that some traders have previously wanted to take over the lease and I have supported this aim in 2016 (when the lease was up for renewal) and again in 2018. I believe a co-operative/social enterprise model could work if the traders are given support to do this, and I note that the social enterprise model was the top scoring model from the review. I would ask the stakeholders to give this model serious consideration and investigate this option further - it may have the potential to avoid further acrimony and be the best option for rebuilding the trust that is required.	Noted. Based on the programme dates outlined in the Terms of Reference, the development and implementation of either the Cooperative or Social Enterprise Models would not meet these timescales. The report notes the need for trust to be rebuilt between some of the Licenced Traders and between some of the Key Stakeholders. This should happen first before the Key Stakeholders consider these two management models for the market.	No

London Borough of Haringey			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Scope of Review			
3.1.5	It is not clearer (sic) if a final report will be produced incorporating accepted amendments? Will identifying individual Stakeholder comments on the draft report raise any confidentiality or sensitivity issues?	Key Stakeholders were advised by email on 17/12/2019 that comments returned will be documented and a response provided. A schedule of responses will be appended to the final report and will highlight any changes that have been made to the original draft attached. Report updated to state: 'The amendments to the report or any comments that the independent consultant chooses not to include will be documented in Appendix 8.'	Yes
3.2.5	Is the review linked to Apex House and the new permanent market as per ToR's?	Noted. Report updated to state to reflect the specified locations in the Terms of Reference (ToR): 'To reiterate, these models are not linked to any specific development, rather the three locations outlined in the Terms of Reference (existing location, temporary location being Apex House and the permanent location being the redeveloped Wards Corner building if it proceeds).'	Yes
Background			
4.1.4	There are no other ongoing reviews	Noted. Following text removed: 'There may have been other reviews or investigations that the consultant was not made aware of, but those listed above are more relevant to this review.'	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
4.2.2	Is this accurate? You make reference to the terms of the lease between LUL and MAM within paragraphs 4.2.1 and 4.2.2..	Noted. Texted updated to state: 'The current lease between LUL and MAM is due to expire in September 2020. The complete details of the current lease are unknown and are not relevant to this review.'	Yes
4.2.3	It is LUL who granted a lease (not a licence) to MAM	Noted. Text updated to reflect LUL and not Tfl granted the lease.	Yes
4.2.4	The first sentence states that proposed lease arrangements for Apex House are unknown but this is contradicted in the second sentence which states that Heads of Terms have been discussed.	The text has been updated to clarify the points: 'The consultant has been only been advised that draft Heads of Terms have been discussed between Grainger and MAM. However, Grainger has confirmed that no lease agreement for Apex House has been finalised nor has any decision been made in respect to the lease or the lessee for Apex House.'	Yes
4.2.5	<ul style="list-style-type: none"> 1- Is the lease to the operator? 2- Is the cost for the first five years of the lease referring to the new market? 3- The operator lease cost to Grainger will not simply be annual income. It will need to reflect operator management costs, profit and void allowances etc 4- Need to state the source of the figures i.e. Grainger 	The text has been updated to state: 'The cost of the lease for the first five years for both Apex House and the permanent site for the market are unknown. It is assumed the cost of the lease for these sites will be similar to the combined total income the market could attract on an annual basis, minus the discounts listed in the s106. Based on 100% occupancy, Grainger has confirmed this totals £1,870,730 (excluding VAT) over the five-year period. This assumption is based on the fact that there would be very little opportunity for the lessee to make further income over and above what is listed in the s106 and owing to the permitted size of the market in both locations.'	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		In relation to point 3 these are the Operators operating costs. This paragraph is referencing the lease costs only. Operating costs will vary from operator to operator.	
4.2.6	Need to add source	Text update to state: 'Grainger estimate that the fit-out costs for both Apex House and the permanent home are at £110 per square foot for ground floor space and £65 per square foot at mezzanine level (this is only applicable to Apex House).'	Yes
Key Stakeholder Engagement			
6.4.2	The current lease is with LUL and not TfL	Text updated to reflect this.	Yes
6.4.4.	Need to update referring to MAM's decision not to implement any licence fee increases.	Text updated to state: 'Since then MAM have agreed not to implement any further licence fee increases prior to the end of their current lease which is due to expire in September 2020'.	Yes
6.5.7	The TfL statement made reference to the Wards Corner building not Wards Corner.	Text updated to state: 'TfL has publicly stated that the Wards Corner building (TfL Freehold) has come to the end of its economic life'.	Yes
6.5.8	The developer is Seven Sisters Regeneration Limited. SSRL has entered into a Development Agreement with LUL	Text updated to reflect this: 'Seven Sisters Regeneration Limited (subsidiary of Grainger Plc) has entered into a Development Agreement with LUL'.	Yes
6.6	Has this section been checked for any commercially sensitive information?	All Key Stakeholders bar the Licenced Traders received a draft of their respective sections relating to the Key Stakeholder Engagement. This was issued prior to the draft report being circulated to Key Stakeholders for comment on 17/12/2019. Key Stakeholders had the opportunity to review and comment on the content to ensure accuracy and raise any concerns including confidentiality.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Management Models			
7.1.12	Are the voting rights referred to here, included in traders license agreements?	Text has been updated to state: 'Currently traders have no voting rights.'	Yes
7.3.5	Needs clarity on who is ultimately responsible for implementing the new management model and appointing the operator.	Noted. Text updated to include (paragraph 8.2): It will be up to the Key Stakeholders to consider the recommendations and agree which ones they wish to develop and take forward. Once this is known there will be a requirement to identify the key stakeholder(s) who is best placed to lead on each recommendation. It is important that any leads actively collaborate and consult other key stakeholders before any decisions are made. In terms of appointing the Market Operator the recommendation in 8.7 states that the Freeholder(s) should involve the key stakeholders in the section process.	Yes
7.4.20	Does the operator also acting as the Board's administrator create any conflict of interests?	Noted. The Market Operator will be required to report on a range of operational matters that are of interest to the board. Therefore it makes more sense they administer the board i.e. prepare papers/reports, take notes, update action tracker, agree agendas etc. However, it will be up to the Key Stakeholders to decide how they want to the board to function and be managed/administered.	No
Recommendations			
8.5 e (now 8.7)	Please provide additional information / clarity on the context for this.	The intention should be for the traders to come together and set up an association or group to ensure that their interests are	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		<p>channelled via their representatives who sit on the Partnership Board.</p> <p>Text updated to include: 'It is important that there is a process in which the representatives can update all the Licenced Traders on any outcomes/resolutions from the board as well as an opportunity for Licenced Traders to raise and debate issues and agree on what should be escalated to the board for consideration'.</p>	

Licenced Traders – Received from one of the registered Licence Traders			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Management Models			
7.2.2	Minutes of the market tenants association meeting as expression of their aspiration communicate[d] to you by one of the officers.	Noted. The request for the number of Licenced Traders that attended was not provided.	No
7.2	The market model preferred by the traders, the mutual model, [as this] allows them to run the market themselves, which of course this is what all traders really want.	Three Licenced Traders voted for the Mutual Model (see section 7.1). As detailed in section 7.2, this model was not shortlisted for the reasons outlined.	No
7.2	Not accurate and not relevant to the management model evaluation.	Noted. The two trustees of the West Green Road and Seven Sisters Development Trust who promoted the Mutual Model where issued with the draft text for section 7.2 on 02/12/2019, prior to the issuing of the draft report to the Key Stakeholders on 17/12/2019. Apart from this comment, no further comments have been received in relation to this section of the report. The evaluation criteria was agreed at the start of the review (April 2019) and communicated to all Key Stakeholders, including the Licenced Traders. The Mutual Model was only presented to the independent consultant at the end of the engagement period on the six top scoring market management models.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Comments received in relation to the scope of this review			
1.0	It is imperative that the traders have the right to freely elect their own representatives from amongst their ranks, that they have equal rights to select and deselect the new market facilitator and the new market operator.	<p>Noted. All the Key Stakeholders will be represented on the Partnership Board. It will be for Licenced Traders to elect their representatives through a democratic ballot.</p> <p>The Partnership Board should vote on any decisions relating to any changes to the agreed market strategy, policies and guidelines.</p>	No
2.0	That no decision is taken without full and transparent consultation with the traders.	<p>The recommendations outlined the need for Key Stakeholders to work together on the development of the market strategy, policies and guidelines in relation to the Partnership Model. The Market Facilitator should ensure that greater collaboration going forward.</p> <p>As outlined in the recommendations, all key stakeholders should be represented on the evaluation panel in relation to the appointment Market Facilitator and the Market Operator.</p>	
3.0	No decision can be implemented without the trader's full backing. The terms/details going forward have to be further discussed.	<p>The Partnership Board will be responsible for making any decisions in relation to changes to the agreed market strategy, policies and guidelines.</p> <p>All decisions by the Partnership Board should be recorded and communicated to all key stakeholders to ensure transparency.</p>	
4.0	We hope for a brighter future, which if all future stakeholders honour the recommendations and our rights, it will be.	Noted.	No

Market Asset Management (Seven Sisters) Ltd			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Introduction			
1.0	This document is the initial response by Market Asset Management (Seven Sisters) Ltd ('MAMSSL') to the draft report commissioned by LB Haringey from Roger Austin of WorkingPlaces.co.uk regarding future management arrangements for Seven Sisters Market. That report was issued as a draft 16.12.2019 for comments from key stakeholders including MAMSSL. The following comments are copyright of the author and offered without prejudice and may be added-to in due course.	Noted. The report is now finalised and further representations will not be included. The Wards Corner Policy Advisory Group and the London Borough of Haringey will publish the final report on 17th January 2020.	No
2.0	MAMSSL is a private standalone SPV company which owns the business known as 'Seven Sisters Market' ('SSM') in Tottenham N15. The freehold owners of the building are London Underground Ltd ('LUL') from whom the Market premises are leased. LUL's managing agents are Transport for London ('TFL') and the developer who has secured planning permission for redevelopment of the so-called Wards Corner site of which the Market forms part is Grainger plc ('Grainger'). The local authority is the London Borough of Haringey ('the Council' or 'LBH').	Noted. The roles of the Key Stakeholders in relation to Seven Sisters Market is already detailed in the report.	No

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3.0	<p>Planning consent supported by a Compulsory Purchase Order has been secured by Grainger. The consent is subject to S.106 planning agreement imposed to protect the 38 or so businesses which occupy the Market. MAMSSL has committed to discharging the requirements of the S.106 which requires continuity of trade for the Traders and their reinstatement within the redeveloped Wards Corner site. MAMSSL proposes to provide a temporary Market on the adjacent Apex House site during the redevelopment and a new-build Market thereafter within the Wards Corner development. The S.106 imposes significant discounts on rents which can be charged in the temporary and permanent relocation Markets and offers a modest level of financial grant from the GLA to assist Traders with their relocation costs. MAMSSL has committed to delivering these arrangements thus enabling the S.106 to be discharged.</p>	<p>Noted. The S106 states that Licenced Traders trading at the time when Grainger Plc serves six months' closing notice to the council-will be entitled to relocate to Apex House. Likewise, the Licenced Traders who are trading continuously for three months at Apex House will be entitled to relocate to the permanent home for the market if the current Wards Corner building is redeveloped. See Appendix 7.</p>	No
4.0	<p>A public inquiry has confirmed the validity of the CPO. This was challenged in the High Court by opponents to the redevelopment led by the so-called Wards Corner Coalition ('WCC') but this was rejected.</p>	<p>Noted. The Compulsory Purchase Order is not within the scope of this review, but the independent consultant was aware of the nature of the legal challenge and the outcome from the High Court decision. The independent consultant is also aware that a challenge has been lodged by appellants against the High Court decision.</p>	No
Summary comments on report (draft)			
5.0	<p>The core recommendation of the report is for the Council to assume control and management of the Market as part of partnership arrangement with Traders and others. MAMSSL</p>	<p>The report <i>does not</i> recommend that the Council assume control and management of the market. The recommendations made in Section 8 relate the recommended model being</p>	Yes

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	<p>will be excluded from this arrangement. MAMSSL emphatically rejects the proposal as both unworkable and an inappropriate use of public monies which may result in a challenge that the Council has acted <i>ultra vires</i>. MAMSSL holds legal title to the assets, goodwill trademark and intellectual copyright of the business known as Seven Sisters Market and the Council does not possess statutory powers to acquire same except by negotiation at the taxpayers expense. MAMSSL has no desire to sell its business but does wish to continue developing it in accordance with the S.106.</p>	<p>proposed by this review outlined in section 7.3.</p> <p>The independent consultant is recommending that the Partnership Model is developed and implemented by the Key Stakeholders. The Partnership Model consists of a contractual relationship between the Freeholder and the leaseholder (in this case a Market Operator) with <i>oversight</i> from a Partnership Board made up of Key Stakeholders. The role of the board is to ensure that the agreed market strategy, guidelines and policies are being delivered. Apart from the Freeholder, the members of Partnership Board have no involvement in the lease arrangements between the Freeholder and the Market Operator. Therefore, the property transaction and the terms of the lease sit outside the scope and role of the Partnership Board.</p> <p>The independent consultant is fully aware that this would require the consent of the existing Freeholder(s) to implement this recommendation. This would be the same for any model, including the existing arrangement, if and when notice is served by Grainger Plc to close the current market and relocate to Apex House (temporary location), or if London Underground Limited were to tender the market opportunity once the existing lease expires in September 2020.</p> <p>The report has been updated to provide this additional information and clarity (see 7.4.15):</p>	

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		<p><i>'The Partnership Model consists of a contractual relationship between the Freeholder and the leaseholder (in this case a Market Operator) with oversight from a Partnership Board made up of Key Stakeholders. The role of the board is to ensure the agreed market strategy, guidelines and policies are being delivered. Apart from the Freeholder, the members of Partnership Board have no involvement in the lease arrangements between the Freeholder and the Market Operator. Therefore, the property transaction and the terms of the lease sit outside the scope and role of the Partnership Board.'</i></p>	
6.0	<p>Para. 8.2 on page 48 of the draft report states: <i>'The existing operator, Market Asset Management (MAM), is regarded as a key stakeholder for the purposes of this review. In terms of taking forward any of the management models, it is recommended that the other stakeholders work together to further develop the one that most appeals to them. The reason for this is that market operators will have their own set of commercial and organisational parameters they work within, and this will vary from operator to operator. Also involving MAM at this stage could create a conflict of interest if the model that was progressed was either the Partnership or Operator led'.</i></p> <p>Para. 7.4.16 on page 43 of the draft report restricts membership of the partnership board to nominees (sic) from Grainger, TfL, GLA and licenced Traders.</p>	<p>Noted and correct. Paragraph 7.4.16 (now paragraph 7.4.17) also includes the representation of the Council on the Partnership Board.</p>	No

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	<p>Para. 7.4.13 on page 42 of the draft report confirms that the Market Operator would not have any involvement except as a delivery agent.</p> <p><i>'The Partnership Board should be set up and have representation from all the key stakeholders. The Market Operator is not a key stakeholder but the delivery agent that reports to the Board on progress relating to the approved market strategy that is agreed by all the key stakeholders prior to the lease opportunity being tendered'.</i></p>		
7.0	<p>We interpret the above as meaning three things (listed in 5.0):</p> <ol style="list-style-type: none"> 1) The Council will be part of a partnership board which assumes control and management of the Market as part of partnership arrangement with Traders and others. 2) MAM would be excluded from the process of developing the management model because <i>'...involving MAM at this stage could create a conflict of interest if the model that was progressed was either the Partnership or Operator led'.</i> 3) Any ongoing involvement by MAM would be restricted to that of a delivery agent, not a member of the partnership board because <i>'The Market Operator is not a key stakeholder but the delivery agent....'</i> 	<ol style="list-style-type: none"> 1) See the independent consultant's response to 4.0 above. 2) Correct. Rationale is outlined in section 8.2 which states: <i>'The existing operator, Market Asset Management (MAM), is regarded as a Key Stakeholder for the purposes of this review. In terms of taking forward any of the management models, it is recommended that the other stakeholders work together to further develop the one that most appeals to them. The reason for this is that Market Operators will have their own set of commercial and organisational parameters that they work within, and this will vary from operator to operator. Also involving MAM at this stage could create a conflict of interest if the model that was progressed was either the Partnership or Operator led.'</i> 3) The report proposes that the opportunity for any new lease relating to the market should be tendered to secure a 	No

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		<p>reputable and experienced Market Operator to deliver the market strategy, policies and guidelines that are agreed by the Key Stakeholders. The appointed Market Operator will be the Delivery Agent and will be responsible for the day-to-day management of the market. They will be required to work with the Partnership Board to ensure the pre-agreed outputs and outcomes are delivered.</p>	
8.0	<p>MAMSSL emphatically disputes the underlying presumption that it is desirable for an as yet unidentified legal entity to acquire the business and a partnership board to assume management control. The research and sampling methods on which the report's recommendations are based are flawed and the findings not impartial.</p>	<p>The research and engagement of the Key Stakeholders, including 23 of 35 Licenced Traders, have led to these recommendations being proposed. A broad range of views, aspirations and issues were collated during the engagement with the Key Stakeholders.</p> <p>It is for the Key Stakeholders to decide and agree which recommendations in this report they wish to develop further and/or implement.</p>	No
9.0	<p>The report paints a general picture of mismanagement and dissatisfaction amongst Traders which is not the case. Insufficient emphasis has been given to the many Traders who continue to express support for the MAMSSL proposal. They made this evident in representations to the CPO Public Inquiry, to the Scrutiny Panel of LBH and to Mr Austin. MAMSSL is not aware if they have been invited to comment on the draft report.</p>	<p>The report highlights that 14 of the 23 Licenced Traders that were interviewed supported the possible move to Apex House and three were undecided (see 6.3.4). The report raises a number of well-documented issues in respects to the maintenance, promotion and safety which were either relayed in part or in full by the 23 Licence Traders that were interviewed. The report also stated that some Licenced Traders recognised the investment made by MAMSSL (see 6.3.5). Some of the conclusions were also drawn from the independent consultant's own observations.</p>	No

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		The Policy Advisory Group were aware of the review into Wards Corner being undertaken by the Housing and Regeneration Scrutiny Panel into Wards Corner and have access to this report and its recommendations which were published in October 2019.	
10	Although identified as a key stakeholder in the Market MAMSSL has not been invited to present evidence to the Wards Corner Policy Advisory Group until publication of this draft report. It would have been prudent to do so and invite representations from a far wider range of interested parties including supporter of the MAMSSL proposals. The implications of adopting the recommendations with the Council bearing costs and risks are profound for the Council budget and other parties seeking to secure funding from the Council.	The Wards Corner Policy Advisory Group commissioned, via the council, the independent consultant to undertake a review into the possible future management models for Seven Sisters Market. The scope of the review was explained to all Key Stakeholders and the Terms of Reference were published on the council's Wards Corner webpage in April 2019.	No
11	The business known as Seven Sisters Market is a privately-owned retail business and not a Market in the legal sense of the word. It is not subject to licensing provisions of the London Local Authorities Act as used to control most Markets in Greater London nor does the Council hold any legal interest or charge over same nor possess the ability to acquire same except by negotiation. The necessity and methods to do so are not explored in the report.	There is no recommendation in the report that suggests the council should acquire the lease for the market. The independent consultant is fully aware that the current market does not operate under market licensing legislation and is not proposing any change to this arrangement, including the recommendation to implement the Partnership Model for the future management of the market.	No
12	MAMSSL supports the development proposals by Grainger and LUL and has committed to discharging the terms of the S.106 agreement, thus allowing the regeneration to proceed and securing a long-term investment for the Company. The	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.	No

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	<p>report does not provide justification for the alternative requiring the Council to assume risks at the public expense when a credible solution is in place. The MHCLG decision 23.01.2019 confirmed the CPO provisions protect Traders interests through the S.106 and the Council has no overriding justification to challenge the proposal or necessity to assume control of the Market.</p>	<p>The recommendations are not contrary to those provisions listed S106 Agreement but the report does suggest some additional measures should be considered by the Key Stakeholders to ensure the future success of the market.</p>	
13	<p>The report does not explore in enough detail the reasons for dissatisfaction expressed by objectors to the MAMSSL proposals. These generally result from MAMSSL's efforts to resolve major Health & Safety 'heritage issues' which the Company acquired when it purchased the business in September 2015. Addressing H&S risks has been an overriding priority for the Company but to do so sometimes necessitated enforcement action against some Traders. The complaints to the LBH Scrutiny Panel which resulted have been accepted at face value by the report and used to support the contention that the Council should assume management control of the Market. This is flawed. The report supports the minority views of Traders and does not investigate the rationale. It does not question whether those Traders who have expressed support for the partnership possess the experience to sit in the partnership and how the Council entering into a partnership may be exposing itself to risk.</p>	<p>Noted. Though this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should assume control of the market.</p> <p>The report outlines the key themes that emerged from detailed discussions with 23 Licenced Traders, 14 of which were supportive of a move to Apex House. The outcomes from the Scrutiny Panel recommendations do not relate to the <i>future management models</i> for Seven Sisters Market. Both reviews have been conducted separately.</p>	No

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14	The report gives scant regard to the efforts made by MAMSSL to overcome previous management failings in Health & Safety, Fire Safety, Electrical Safety and Food Safety. These improvements required some Traders to deliver matching investment to comply with their statutory obligations. The report fails to explore the unjustified criticism of MAMSSL which took over a Market with significant H&S failings and has improved it to the point where it has a sustainable future. The underlying assumption of the report that a new management structure is necessary to deliver the new Market is flawed.	Noted. Section 6.4 of report references the investment made by MAMSSL in relation to some of the issues it inherited when it bought the lease The recommendation to further develop and implement the Partnership Model as the future management solution for the market is for the consideration of the Key Stakeholders. It is for the Key Stakeholders to decide and agree which recommendations in this report they wish to develop further and/or implement.	No
15	If the report recommendations were to be adopted it would add an additional 18 months minimum and 24 months probable delay to the initial relocation of the Market i.e. until Autumn 2022 or Summer 2023 at which point redevelopment of the Wards Corner site could commence. By contrast the MAMSSL proposal can deliver the same result in Summer 2021. The delay in delivering an already-installed landmark regeneration project for South Tottenham and the investment it attracts to Haringey is unwelcome and unnecessary.	The Terms of Reference references August 2020 and not Summer 2021. The programme is demanding but achievable as outlined in 7.4.9. I understand that Grainger Plc were in the process of procuring the Market Facilitator role in 2019, but were requested to pause whilst another review into the S106 obligations relating to appointment concluded. It is suggested that the procurement process commences immediately, adopting the relevant recommendations outlined in this report.	No
16	The S.106 is embodied in the consent as granted and the partnership proposal does not represent a credible alternative delivery mechanism. Further reasons are outlined below. The report gives undue emphasis to the minority of Traders who object to the redevelopment	The report concluded that the Mutual Model being proposed by two of the trustees of the West Green Road and Seven Sisters Development Trust was not the right solution for the reasons outlined (see 7.2). Therefore, the consultant rejects this statement.	No

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	proposals encouraged by WCC etc campaigners who possess no legal interest in the Market.		
17	There are more pressing budgetary priorities for the Council than pursuing this project. To pursue the proposals and incur significant capital expenditure with ongoing commercial risk is not supported with evidence of cost/benefit justification. It would be less than prudent.	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.	No
Comments on the report			
18	As the report concedes, there are no examples of partnership models in London so the report cannot identify the nature and extent of contractual and financial risks to which the partnership would be exposing itself. The report cites Traders Co-operatives or Social Enterprises (CIC's) or an Arms-length Company but does not highlight how the partnership would be buying-into the private sector on the back of funding and guarantees from the Council.	Noted. There are experienced Market Operators that would potentially be interested in any future opportunities relating to Seven Sisters Market. Operators should view the involvement of the Key Stakeholders positively in helping to support their commercial ambitions and those of the Licenced Traders. There is no recommendation in the report that suggests the council or any other Key Stakeholder should fund or provide guarantees if the Partnership Model was to be implemented.	No
19	The report supports the perception that Seven Sisters Market is publicly-owned asset and the public sector is entitled to influence its operation. In reality the business is privately-owned and driven by commercial imperatives, many of which are shared with the aspirations of the partnership. The risks and processes by which it would morph from privately-ownership to partnership-ownership are not explained.	The consultant does not concur with the statement that the report supports the perception that the market is publically owned. There is no suggestion in the report that this is the case, nor does it elude to it. The lease and the day-to-day management of the market under the Partnership Model would remain within private sector control. The board will be made up of representation from the Key Stakeholders (including public sector organisations) who would be responsible for overseeing the delivery of the agreed	No

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		outputs and outcomes that were agreed with the Market Operator as part of the tender process for the new lease. The role of board and its function is explained point 4.0 above.	
20	There is no known instance of a local authority delivering such a project through a partnership - quite the contrary in fact. Many local authorities are outsourcing non-essential services such as Markets to reduce financial pressure and concentrate on delivering their statutory obligations. If the Council were to adopt the recommendations it may open up the decision to legal challenge.	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should deliver the project. The council and the other Key Stakeholders will work together to develop and agree the market strategy, guidelines and policies that will form part of the tender requirements for the new lease agreement procured by the Freeholder.	No
21	Adopting the recommendations would require the Council to either buy the Market business as a going concern or establish the partnership from scratch. The Council does not hold any legal interest in the Market nor does it exercise control over same except through the statutory approvals processes e.g. town planning. MAMSSL holds title to the assets and intellectual copyright of the Market business together with the physical assets invested when it fitted-out of the derelict building e.g. the shopfronts, stalls, WCs and heating & ventilation services. Under the terms of the licences held by Traders all alterations and 'improvements' undertaken by Traders are vested in MAMSSL and can be treated as such.	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.	No
22	The recommendations do not explore the legal mechanisms which would when the existing lease from LUL to MAMSSL falls away. The Traders do not enjoy security of tenure and	It has been the understanding, from discussions with Grainger Plc, that no lease arrangements for the temporary market at Apex House have been agreed with any party. MAMSSL stated	No

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	<p>MAMSSL has the ability to terminate all licences at no more than 28 days notice. As and when the lease falls away normal commercial practice would be to close the Market to close and recoup capital investment in fixtures and fittings by salvage and sale.</p>	<p>that draft Heads of Terms had been discussed with Grainger Plc but nothing further. Likewise, TfL have confirmed that no lease discussions have taken place in relation to the current lease with MAMSSL that is due to expire in September 2020. Therefore, there is the opportunity for the Freeholders to consider the Partnership Model as the mechanism for the future management model for Seven Sisters Market. In the event that the lease was offered to another company, transitional arrangements would need to be put in place to ensure the market and Licenced Traders' businesses (protected under the S106 agreement) continue to operate.</p>	
23	<p>This accords with standard reinstatement obligations of a lease to offer the premises back to the owner in the same condition as originally leased. This includes offering it back with full vacant possession suggesting all Trader licences would need to be terminated in anticipation. Standard commercial practice would then be for the assets to be salvaged and the SPV Company placed in voluntary liquidation. As such, Seven Sisters Market would cease to exist and there would be no Market business for the Council to acquire. MAMSSL would continue to exercise copyright over Seven Sisters Market on a contingency basis.</p>	<p>See response above (21). It should be within the interests of all parties to avoid any disruption to the market in such a way that it adversely impacts on individual Licenced Traders' businesses and their livelihoods. The Key Stakeholders should work together to ensure this does happen and put in place transitional and contingency arrangements to minimise any impact on the market and its operation.</p>	No
24	<p>Accordingly the Council would need to either acquire the existing Market business by negotiation in anticipation or wait until it was extinguished and seek to replicate it from scratch under a different name. In the latter case this would involve re-establishing all the Traders licences and the fit-</p>	<p>Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.</p>	No

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	outs of the Market and stalls without the benefit of the intellectual copyright etc retained by MAMSSL.	Comments regarding intellectual copyright in relation to Seven Sisters Market brand would need to be further investigated by the Freeholders going forward. There is always the option to rebrand/rename the market if the copyright does not allow the continued use of market's name.	
25	If in the interim MAMSSL opted to sell the business as a going concern to a third party that person would be in a position to discharge the S.106 agreement and if the Council sought to hinder the process it would open itself up to criticism from MHCLG and legal challenge and claim from the third party, Grainger and LUL.	Noted. This action would not alter the recommendations outlined in the report.	No
26	Putting aside for a moment the dubious ability and appropriateness of the Council acquiring the business, the report does not explore the financial implications. It does not identify the purchase cost for the business nor the establishment cost for the partnership, the design, supervision and cost of two fit-outs, additional contributions towards Traders fit-out costs and the cost of lease guarantees and other indemnities to Grainger plc and/or LUL. The extent and cost of such liabilities needs to be quantified before the Council could make an informed decision as to whether to adopt the report recommendations. Nor does the report highlight or quantify the business risks which would be assumed by the Council. They could not be laid-off onto the partnership which lacks both covenant and liquidity unless underwritten by the	<p>Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.</p> <p>The recommendations in section 8.7 outline the need for greater transparency around the future financing of the fit out (bar the obligations set out in the s106) and the lease and rental costs after five years.</p>	No

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	Council. This is an unquantified and open-ended commitment for the Council.		
27	Establishing the partnership would most likely require such liabilities and costs to be borne by the Council. The report does not offer an example of such a partnership successfully delivering a similar project and MAMSSL's considerable experience of the Markets industry suggests none exist and those which have tried have failed. The rental discounts required by the S.106 are onerous and limit the ability to add value to the investment so it is highly unlikely that a private 'White Knight' investor could be secured.	<p>Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.</p> <p>There are experienced Market Operators that would potentially be interested in any future opportunities relating to Seven Sisters Market.</p> <p>The suggestions that the 'rental discounts' are 'onerous and limit the ability to add value' are based on evidence of the fees and charges of other markets that was supplied as part of the s106 negotiation in 2017. There is a concern from some Licenced Traders about the costs post the five-year period and the recommendations in section 8.7 highlight the need for greater transparency around the lease and rental costs after five years.</p>	No
28	MAM has evaluated the financial and contractual risks in detail before committing to deliver the S.106, unlike this report. The Council would be well-advised to note the project is of marginal viability and it is only the very specific skills and objectives of MAMSSL as a Market investment Company which make it viable. For the Council to assume such risks would be less than prudent.	<p>Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.</p> <p>The scope of the report was not to assess the financial viability of the s106, but to recommend future management models for Seven Sisters Market. However, the fixing of the per sq.ft costs of the units in some respects dictates the financial obligations</p>	No

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		that <i>any</i> management model would need to sustain. As the terms of the lease are yet to be established, the viability of the market lease and s106 obligations will need to be assessed by the Freeholders in relation to the recommendations outlined in the report.	
29	The report fails to mention that if the Council were to guarantee the contractual liabilities or provide funding for the partnership same would require provision to be made in the Council accounts. The Council budget for essential services is already under considerable pressure and adding to that would open up the project to challenge.	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should guarantee the contractual liabilities or provide funding for the implementation of the Partnership Model.	No
30	The public inquiry into the CPO confirmed the planning consent and S.106 agreement contains more than sufficient safeguards for Trader businesses. Appeals against the validity of the CPO have been overturned in the High Court and have confirmed no financial or social justification for intervention by the Council. Grainger and MAM have the experience and resources to deliver and the Council would be better-advised to devote its resources elsewhere. If the Council opted for the 'not-for-profit' partnership or C.I.C. model it would exacerbate the lack of justification.	Noted. The report does not challenge the planning consent or the s106 obligations. It does propose recommendations in relation to future management model for Seven Sisters Market and makes additional recommendations that will help to support this process.	No
31	The report does not detail the legal status of the proposed partnership and personal liabilities for each member of the management board. Partnerships, Management Trusts, Arms-length Companies and Limited Liability Partnerships all have their pros and cons but the common thread running through this proposal is the need for a Council partner to	Noted. The legal status of the Partnership Model will be defined only by the contractual arrangements (specification) between the Freeholder and the leaseholder (Market Operator). This would include the delivery of the agreed specification as defined by the market strategy, policies and guidelines agreed by the Key Stakeholders.	Yes

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	<p>guarantee performance and responsibility. Many of these legal models require individuals to accept personal liability which many are unlikely to accept. Should any of the individuals be in breach of their responsibilities the Council may find itself stepping into their shoes and their duties.</p>	<p>The Partnership Board, made up of the Key Stakeholders, will have oversight to ensure the relevant outputs and outcomes (outlined in the specification) for the day-to-day and strategic management of the market are being delivered. The Board Members, bar the Freeholder, would not have any financial or legal liabilities in relation to the lease and contractual agreements between the Freeholder and the Leaseholder.</p> <p>Section 7.4.16 (Board Arrangements) has been updated to reflect this.</p>	
32	<p>The report does not address the likelihood of the Council's financial exposure to individual Trader fit outs. The financial assistance package offered by the GLA to support the S.106 is modest and would not apply to any other option and certainly not be available to the Community Plan or alternatives as they do not benefit from the S.106. This is a major estimating and negotiating exercise for which the partnership has little relevant experience. It opens up the question of whether it is appropriate to support private business with taxpayers money whilst pursuing a marginal project without overriding justification.</p>	<p>Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market. The Mayoral Funding (£284.5K) is linked to the redevelopment of Wards Corner and not the s106 obligations.</p>	No
33	<p>The report specifically recommends excluding MAM from future involvement in delivering the S.106 - a role which it is uniquely- suited to perform. An exclusion is contrary to the public sector procurement rules. MAM is an organisation with the unique experience and funding resources to deliver</p>	<p>Noted. It is the responsibility of Grainger to deliver the s106 obligations. The report recommends that the Key Stakeholders should be redefined for the development of the market strategy, policies and guidelines. This would ensure that a fair and competitive tender process is upheld for the purchase of any future lease for the market</p>	No

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	the S.106 and to exclude it may open up a challenge that Best Value has not been delivered to the taxpayer.	The Key Stakeholders can choose to reject this recommendation should they wish to.	
34	The report does not highlight that it the findings the personal opinion of its author. The Council would be well advised to undertake additional due diligence before adopting its recommendations. If challenged it is unlikely the findings of the report would be accepted as factual. The preparation of the report did not follow the rules of evidence demanded by a formally-constituted inquiry. If the recommendations were to be adopted and implemented the Council would place itself at risk of being found to have acted <i>ultra vires</i> .	<p>Noted. The report states the following:</p> <p>‘2.1.4 - Whilst the response rate was lower than expected in relation to selection of the preferred model(s) by some of the Licenced Traders, <i>it is my opinion</i> the recommended model will help to deliver a set of benefits and more importantly assurances that all the stakeholders are seeking.</p> <p>7.3.3 - <i>I have based my recommendation</i> on the feedback and aspirations from all Key Stakeholders during the engagement and model selection phases of the review, as well as on the scoring reflecting the criteria agreed by PAG, and the practicalities of implementing a model in the timescales outlined in the Terms of Reference.</p> <p>7.3.5 - <i>My recommendation to the Wards Corner Policy Advisory Group and the other Key Stakeholders</i> is that the Partnership Model would be the most appropriate model to be taken forward in at least the short to medium.</p> <p>It is for the Key Stakeholders to decide and agree which recommendations in this report they wish to develop further and/or implement in at least the short-to-medium term (i.e. from now until the initial five-year period has ended). It should be noted that this was an independent report reflecting the Terms of Reference (see Appendix 1). This was not ‘a formally-constituted inquiry’.</p>	No

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		The report outlines my recommendations to the Key Stakeholders for their consideration. It's within their remit to undertake additional due diligence before progressing any recommendations should they wish to.	
34	The report proposes an unrealistic timescale to establish the partnership and deliver the project. Based upon MAMSSLs experience the chief omission is a timescale to establish and populate a working partnership – say 12 months.	Noted. The proposal is for the Key Stakeholders to work together to develop and deliver the recommendations they wish to progress. There is a willingness across the Key Stakeholder group to find a solution and to explore the possibilities of the Partnership Model further.	No
35	If the Council decided in say 6 months time to adopt the recommendations and support the partnership it would take a minimum of 12 months thereafter for the partnership to be established and the Market Facilitator to reference the eligible Traders, design specify finance procure and supervise the Landlords fit-out works and - most controversially - complete the stall allocation i.e. 'who goes where'. In other words it would take a minimum of 18 months before any bricks are laid on the temporary relocation site i.e. Summer 2021. Supervising the Landlords fitout of the temporary relocation and simultaneously co-ordinating fit-outs by 40+ Traders would take another 12 months suggesting - at the earliest - Autumn 2022 before the Market temporarily relocates and redevelopment of Wards Corner commences. By contrast MAMSSL is in a position to deliver same in Summer 2021.	Noted. The programme is demanding but achievable as outlined in 7.4.9 - if the right level of resources is provided and there is a willingness for the Key Stakeholders to work together to implement the Partnership Model. The dates outlined in MAMSSL response (Summer 2021) do not reflect the proposed market relocation date of the Apex House (August 2020) outlined in the Terms of Reference. If this has been delayed to Summer 2021, there would be ample time for the Key Stakeholders to develop and implement the Partnership Model and the recommendations outlined in the report.	No
36	If MAMSSL were not a party to the new management then as from the time when it exits all day-to-day management will need to be provided by another from say Autumn 2010 (sic) to Autumn 2022. The report does not explain how this would be delivered.	Noted. The report and recommendations reflect the agreed Terms of Reference. The scope of the review was to outline the possible future management models for Seven Sisters Market.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	Excluding MAMSSL and its management team would require appointing an uncosted team.	<p>The scope did not include how it should transition from the existing arrangements to any new model. It does however outline a high-level programme and process for delivering the Partnership Model.</p> <p>The independent consultant did not have access to the existing lease and commercial arrangements between LUL and MAMSSL; not that this would be relevant to the recommendations being proposed. The report recommends that a new model for the management of Seven Sisters Market is considered by the Key Stakeholders.</p>	
37	Nor does the report address the legal strategy to minimise risk to the Council. When negotiating a Business Transfer Agreement with MAMSSL or establishing a replacement partnership from scratch it would be prudent to back-to-back same with securing a new lease for Apex House, an Agreement for Lease for the Wards Corner unit and the design, procurement and financing in parallel to delivering the initial 40 or so Trader fit outs. This is a major task for even an experienced Market developer such as MAMSSL. The Council should ask itself does it have the resources and ability to deliver an alternative, and if it fails to do so what effect would this have on the Market?	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.	No
38	The implications of adopting the recommendations and the appropriateness of the Council bearing the lions share of the costs and risks are profound for the Council budget. The workings of the Policy Advisory Group and this draft report and responses should be opened up to wider public scrutiny and input from other groups including those seeking their	Noted. However, this response does not reflect the recommendations outlined in the report. There is no recommendation in the report that suggests the council should acquire the lease for the market.	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	share of the Council budget. A social media campaign should be used to gauge public opinion and inform the Groups considerations.	The final report will be published on the council's Wards Corner webpage for review by the general public..	
39	The Council would be well-advised not to adopt the recommendations. There are overwhelming financial and practical reasons to accept the existing proposal to deliver the new Market through MAMSSL. The Company has the unique experience and ability to deliver a sustainable Market and protect Traders businesses in accordance with the S.106. It has prepared a detailed delivery programme and is poised to deliver at least 18 months ahead of the partnership alternative. It has the design, finance and legal resources to do so without risking public funds and exposing the Council to risk. The report does not offer a viable alternative. LBH would be better-advised to devote its efforts to delivering core services whilst exercising control through the planning process in the usual manner.	Noted. The recommendations outlined in the report are for consideration by the Key Stakeholders. There are no recommendations that state that alternative models or solutions should not be considered by the Key Stakeholders. Therefore, this report and its recommendations does not preclude any business proposition for the market being promoted by MAMSSL to the Key Stakeholders. It is for the Key Stakeholders-to decide and agree which recommendations in this report they wish to develop further and/or implement.	No
40	MAMSSL is poised and ready to deliver this project and looks forward to doing so in partnership with London Borough of Haringey and Grainger plc.	Noted.	No

Wards Corner Policy Advisory Group			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Executive Summary			
	Reference that all the documents were available in both English and Spanish during the review and, that a translator was provided for the engagement phases with the Licenced Traders.	Noted. Texted updated in sections 2 and 6 to reflect this.	
	Note that communication with the freeholder of the existing market (London Underground Limited) was with officers from Transport for London.	Noted. Text updated in sections 4 and 6 to reflect this: 'London Underground Limited (LUL) is the freeholder of the current market building and LUL is a wholly owned subsidiary of Transport for London (TfL). Correspondence and engagement in relation to Seven Sisters Market has taken place with officers from TfL who represent the interests of LUL'.	
Key Stakeholder			
6.7	Some PAG Members felt that the GLA should have recognised the efforts by the Licenced Traders and the local community in relation to the Community Plan proposals for Wards Corner Building.	Comments and observations noted.	No
Management Models			
7.4.22	PAG Members stated that social value measures should be referenced in this section of the report.	Noted and report has been updated to: 'The board may also want to agree a set of social value outcomes that the market should prioritise. These will need to be developed prior to the tender for the lease, or provide scope to include once the lease is in place.'	Yes

Transport for London			
Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Background			
4.2.1	It refers to Grainger guaranteeing the management, management and operation of SSM. This is incorrect as contained in our email correspondence before Christmas. Grainger guarantee is limited to the rent payment.	Noted. Text has been amended to: 'The current lease between Market Asset Management (Seven Sisters) Ltd (MAM) and London Underground Limited was agreed in September 2015. Grainger Seven Sisters Limited, a wholly owned subsidiary of Grainger PLC is the Guarantor for the rent and insurance, the repairing obligation (limited by a Schedule of Condition) and the reinstatement obligations at the end of the lease'.	Yes
4.2.2	The current cost of the lease (i.e. the rent) is almost £68K.	Noted. Report has been updated to reflect this.	Yes
4.2.3	it is incorrect that the reasons for not granting the lease to the traders are unknown. These were explained in the past in correspondence and are made clear in TfL 's recent comment provided in 6.5.5.	Noted. Text has been amended to: 'The reasons for this decision were explained by TfL, namely that across its estate, rather than chasing speculative income, it tries to support existing tenants by giving them the opportunity to renew their lease. TfL also explained that any tenants across its estate must also be able to demonstrate the required financial and operational standing.'	Yes
4.3.1	A reference is made to 'traders' are 'licenced' by MAM. This statement is misleading. I would recommend that while 'traders' are granted 'a licence to occupy and trade' by MAM. This a property transaction as opposed to a licensing that may be governed by the local authority licensing department.	Noted. Text has been amended to: 'Traders are granted a licence to occupy and trade by MAM. This is a property transaction as opposed to a licensing arrangement.'	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
Key Stakeholder Engagement			
6.4.3	I would recommend that amendment is made to clarify that MAM confirmed that in line with the S106 only the traders who hold a valid licence to occupy a unit in Seven Sisters Market will be relocated to Apex House. It is not clear what is meant by a reference to “registered Licenced Traders”.	Noted. Text has been updated to: ‘They confirmed that only Licenced Traders that hold valid licence to occupy a unit in Seven Sisters Market will be relocated to Apex House.’	Yes
6.4.10	Please note that MAM did inform TfL of suspected illegal sub-letting. MAM was asked to develop a plan to address these and advised how to approach it but so far is yet to present it to TfL. (draft correspondence, and a structured action plan, and a program of implementation)	Noted. Text has been updated to: ‘MAM were requested by TfL to develop a plan to address the sub-letting issues identified and advised how to approach it (i.e. draft correspondence, a structured action plan and a programme of implementation). TfL confirmed at the time this report was published (January 2020) nothing had been received from MAM.’	Yes
Management Models			
7.4.13	We have understood that the Partnership model as outlined in the report, asks for a market operator to deliver the strategy set by the Board, but does not give the operator an ability to input into the strategic direction. We believe this may impact on the effectiveness of running the market and could limit the attractiveness of the offer to potential operators. We would suggest that the operator should be a member of the Board, alongside the other key stakeholders, whose interests and objectives should be considered in the context of the long-term strategy too.	Noted. The text will be updated to reflect this clarification: ‘The Market Operators’ role is to deliver the agreed market strategy developed by the Key Stakeholders. They will be required to report to the board on the progress being made in relation to the delivery of the strategy and the outputs it promotes. However, their role as the ‘market expert’ is to advise the board of any changes they feel are necessary to the agreed strategy, policies and guidelines and provide the rationale and justifications for them. It is important to note that the market strategy will not be a static document, but will need to evolve to effectively address unforeseen issues and challenges, some of which may be external influences (i.e.	Yes

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
		<p>reduction in high street footfall, changing consumer habits, online shopping etc). Therefore, the Market Operator will play a strategic role in advising the board and whilst they are categorised as a 'Delivery Agent', this should not be mistaken with the fact that they will play a pivotal role in ensuring the future success of the market, along with the Licenced Traders. Therefore, they will have a strategic role but in terms of transparent governance it will be the board members who will approve any changes to the strategy etc on consideration of the advice and evidence presented by the Market Operator. The support the board will provide the Market Operator and vice versa is one of the strengths of the Partnership Model.</p>	
7.4.8	<p>The timeframes recommended in the report are quite challenging. Appointing a new Market Facilitator is critical in advancing preparation for the move to Apex House, which we expect to be a very complex process.</p> <p>In view of the forthcoming lease expiry in September 2020, and assuming that the CPO legal challenge is concluded soon, we would encourage Grainger to take steps to start looking for a new market operator without delay. It is our view that Grainger is best placed to offer a longer, and therefore more attractive, lease term.</p>	<p>Noted. Text in section 8.2 updated to include the following:</p> <p>'The programme is demanding and will require the Key Stakeholders to decide which elements of the recommendations (that relate to the programme) they wish to proceed with. Once this is established the Key Stakeholders should assign leads to each recommendation, though it is envisaged that many of these will be led and managed by the Market Facilitator in collaboration with the Key Stakeholders.'</p>	Yes
7.4.12	<p>We are also of the view that both Grainger and the Council should form an integral part and play a key role in the Partnership as they are likely to maintain vested interest in this site and the future success of the new market. While TfL</p>	<p>Noted. Though it recommended that TfL should remain a Key Stakeholder until the new management model is firmly established. However, this is a discussion for the Key Stakeholders to have post the publication of the report.</p>	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	<p>will play an active role over the next year, if the CPO is confirmed and the market moves, TfL will no longer have a vested land interest in the site.</p> <p>Because of this we do not believe TfL should be a long-term stakeholder on the partnership board. Our primary interest will continue to be the protection of our infrastructure, namely the station and Victoria line tunnels. As you have noted we therefore require an owner to have the necessary resources, and expertise required to maintain and invest in a complex building that has reached the end of its economic life. For that reason, we support the conclusion of the legal process and the confirmation of Grainger's role.</p>		
8.4 (now 8.6)	Lastly, in reference to the immediate recommendations outlined in point 8.4 we have already taken steps to identify health and safety issues. We are working with MAM, the traders and the Council to address the most pressing concerns, and we want to ensure the premises are safe for occupation.	Noted. No update to the report proposed.	No
General comments			
1.0	<p>Thank you for sharing the draft Policy Advisory Group report, and for asking for the views of Transport for London (TfL) on its findings.</p> <p>We are aligned with the GLA, and strongly believe the preferred model must have broad stakeholder support and robust governance in order to succeed. We are glad that</p>	Noted. Through the development of the market strategy led by the Market Facilitator, there should be the opportunity to further engage with the traders on the benefits and rationale for adopting the Partnership Model as outlined in the report. This is subject to the Key Stakeholders' agreement in progressing with this mode	No

Paragraph	Key Stakeholder response	Independent Consultant response	Amendment to Draft Report
	<p>many of the stakeholders you consulted saw a Partnership as the preferred model. We agree with the reasons outlined in your reports in 7.3.6, that this model draws on the experience and expertise of a market operator yet provides much stronger governance and a more equitable approach to setting direction for the future market and formulating strategies. We do however note that, as you reported, there is some uncertainty on what views traders might have on the future operating model as there was a low level of response.</p>		
2.0	<p>To conclude, we are pleased that our preferred Partnership Model is seen as one of the most viable options. We believe it is likely to deliver benefits for all of the stakeholders with robust governance and a Board that represents all parties equally.</p>	Noted.	No

Author Clarification (31 st January 2020)			
Paragraph	Author Clarification	Independent Consultant response	Amendment to Draft Report
4.2.5	The report author clarified the estimated annual lease cost (circa £75,000) for Apex House and permanent site for the market if the redevelopment of the exiting market site proceeds. The previous text for this paragraph implied that the five-year lease value would be similar to that of the projected income from the rental of units to Licenced Traders over the first five years of trading (£1,870,730). The text relating to paragraph 4.2.5 that was published on 17 th January 2020 has been updated. The updated report (this version) was published by the Council on 31 st January 2020.	The cost of the lease between the market operator and Grainger for the first five years for both Apex House and the permanent site for the market are unknown. It is assumed the cost of the lease for these sites will be based on the combined total income the market could attract on an annual basis (minus the discounts listed in the s106) less operator deductions/ costs. Based on 100% occupancy, Grainger has confirmed that this is estimated at £1,870,730 (excluding VAT) over the five-year period (i.e. average of £374k per annum). Grainger has confirmed that they are willing to consider a turnover rent for the market operator lease of 20% of annual income (i.e. c£75k per annum), as a starting point for the first 5 years of the market trading. This assumption is based on the fact that there would be very little opportunity for the lessee to make further income over and above what is listed in the s106 and owing to the permitted size of market in both locations. Once the terms of the lease have been negotiated and agreed with the market operator, it is recommended that all the Licenced Traders are advised by the market operator as to the mechanism they will adopt for any rent reviews post the first five years of trading. This will at least allow all the Licenced Traders enough time to start to prepare for any increase and incorporate this into their business plans.	Yes



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