

Report for: Cabinet, 11 February 2020

Report Title: The Wards Corner Policy Advisory Group (PAG) – Independent Review on the future management of the Seven Sisters Market

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CB Officer (and date report agreed):

Ward(s) affected: Tottenham Green

**Report for Key/
Non Key Decision:** **Key**

1. Describe the issue under consideration

- 1.1. The Wards Corner Policy Advisory Group (PAG) was established to review the options for the future management of the Seven Sisters Market in Tottenham Green Ward, in response to ongoing concern regarding the current management of the market.
- 1.2. PAG has been assisted in this task by an independent market expert and this report sets out the [draft] findings and recommendations of the review of Seven Sisters Market management – attached as Appendix 2 to this report.
- 1.3. 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 day-to-day management of the market by a third-party operator with strategic oversight delegated to a multi stakeholder board.
- 1.4. It is important to note at the outset, that the Council has no ownership of the Seven Sisters Market and therefore this review's recommendations are not for the Council to implement. The approach to the PAG's review has been to engage with key stakeholders to enable the discussion on a way forward to take place and inform this review, it is now hoped that those same stakeholders will work together to adopt and implement the recommendations proposed.

2. Cabinet Member Introduction

- 2.1. As Cabinet Member for Strategic Regeneration and Finance and Chair of the Wards Corner Policy Advisory Group, I have worked with Tottenham Ward Councillors to commission the independent review and enable this important
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conversation on the future management of the Seven Sisters Market to take place with key partners and stakeholders.

- 2.2. As PAG, we have been very clear 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. 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 enable this important trading community to thrive in the future.
- 2.3. In recommending the Partnership Model as the proposed solution for future management and operation of this market, the review has considered the particular circumstances that the Seven Sisters Market finds itself in and balanced the importance of social value with the requirement for a viable operation. We are confident therefore that the Partnership Model combines the benefits of an operator model with the right governance oversight from the key stakeholders.
- 2.4. This approach is entirely consistent with the Community Wealth Building objectives of our Borough Plan which seek to build the strength, depth and wealth of our local economy and our Business Pledge to support SME businesses. And, it is vitally important that the key stakeholders come together to develop this model further to suit their combined requirements and aspirations.
- 2.5. I am pleased that this work has engaged with key stakeholders including the majority of permitted traders as well as Grainger, TfL, the Mayor of London, the Assembly Member for Enfield and Haringey, Council Officers and Tottenham Councillors past and present in an effort to balance the needs and interests of all parties.
- 2.6. On behalf of PAG, I would like to thank the key stakeholders for their participation in this critical review and would like to invite them to work collaboratively to implement all of the review's recommendations and ensure a successful Seven Sisters Market.

3. Recommendations

Members are asked to note:

- 3.1. The findings and recommendations of PAG's independent review of the future management models for the Seven Sisters Market.
- 3.2. That, the Council has no role in the ownership or management of the market and therefore cannot implement the recommendations – it is for the key stakeholders to adopt and implement the recommendations of this review.

4. Reasons for decision

- 4.1. Members are being asked to note the findings and recommendations of the independent experts review.
- 4.2. Although the Council is not in a position to make a decision on the management and operation of the Seven Sisters Market, it has an important role to play in ensuring a sustainable management and governance model that has the support of all parties is agreed in order to secure a sustainable future for the Seven Sisters Market.
- 4.3. The Council also has an interest in the regeneration of Wards Corner and is in a development agreement with Grainger to bring forward this site.

5. Alternative options considered

- 5.1. As part of his review the independent market expert considered a series of market management model options before recommending a preferred model for further discussion with key stakeholders.
- 5.2. The review considered a shortlist of 12 market management models which were assessed against the following criteria agreed by PAG:
 1. Ability to be affordable and self-financing
 2. Have an effective management/operation structure with robust governance
 3. Ability to be implemented within specified timeframes and resource/capability available
 4. Ability to facilitate entrepreneurship, business support and growth
 5. Ability to support social value by providing opportunities for local people
 6. Ability to support and contribute to the place and offer
- 5.3. The review concluded that of the 12 shortlisted market models a total of 6 scored more than two thirds of the total weighted score. In accordance with the criteria agreed with PAG, the following 6 market models were provisionally accepted for further development and discussions with the key stakeholders.
 1. Social Enterprise – Community Interest Company operates the market as a business with specific ethical focus
 2. Cooperative – market owned and operated by the Traders for their cooperative benefit
 3. Partnership – day to day management of the market by a third-party operator with strategic oversight delegated to a multi stakeholder board
 4. Market Operator – market leased and operated by a third-party i.e. the current position
 5. Arms-length – market operated by an ‘arms-length’ company of Grainger
 6. Local Authority – market owned and operated directly by the LBH

- 5.4. The management and operational vehicle that is being recommended by the review is the Partnership Model. This model has been selected as, like all the 6 top scoring options, it can be implemented within required timescales and could be applied to any of the possible market locations, including the current Wards Corner development. Also, the model 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.
- 5.5. As current and future landlord TfL and Grainger are ultimately responsible for implementing the recommended management and operational model including the appointment of the operator.

6. Background information

Seven Sisters Market Background

- 6.1. Seven Sisters Market (SSM) is an indoor market situated on part of the ground floor of the former Wards Corner Department Store building and sits directly above Seven Sisters Underground station which forms the southern gateway to Tottenham. SSM is located in the Seven Sisters/West Green Road district town centre which is characterised by a range of independent and multi-ethnic retailers.
- 6.2. The freehold of the building in which the SSM is situated is owned by London Underground Limited (LUL), which is a wholly owned subsidiary of TfL. TfL manage the building on behalf of LUL and have entered into a 5-year lease for the operation of the SSM with MAM Seven Sisters Ltd (MAM); this expires in September 2020.
- 6.3. MAM lets out the various market stall pitches to traders on licence agreements. The current market consists of 58 units/stalls however many of these have been combined into larger units. Currently there are 35 permitted trader businesses operating in the market. The units are occupied by small businesses which trade mostly in retail goods such as clothing, household goods and music, in addition there are also hair salons, travel agents, money transfer services and a number of cafes. There is a strong Latin American presence amongst the market traders and businesses.
- 6.4. The market building is in a poor condition and is at the end of its economic life. The building has little visual presence on the High Road and unclear access points into and routes through the market. Many of the market traders are dissatisfied with the current condition of the building and the problems that this causes for their operations.

The Wards Corner development

- 6.5. The Wards Corner development site is located on the western side of Tottenham High Road and comprises 227 - 259 High Road, 709 – 723 Seven Sisters Road, 1a – 11 West Green Road and 8 – 30 Suffield Road, which are all 2/3 storey Victorian residential and commercial properties. The site includes the former Wards Corner Department Store which is situated partially above the Seven Sisters Victoria Line Underground Station and tunnels.
 - 6.6. The Bridge New Deal for Communities and the Council selected Grainger as its development partner to bring forward proposals for the redevelopment of the Wards Corner Site in July 2004. In August 2007 Grainger entered into a Development Agreement (varied in January 2015) with the Council, which set out the form of development required at Wards Corner and regulated the relationship between the parties.
 - 6.7. In July 2012, the Council granted planning permission to Grainger for the Wards Corner Regeneration Project. At the same time the Council entered into a section 106 Agreement with Grainger in connection with the planning permission (varied in July 2017). The planning approved scheme is for a mixed-use development including new retail and leisure space, a re-provided Seven Sisters Market and 196 new homes.
 - 6.8. On 10th November 2015 Cabinet approved the use of compulsory purchase powers to acquire the property interests required for the Wards Corner Regeneration Project in order to facilitate the delivery of the development. Following a Public Inquiry, the Compulsory Purchase Order (CPO) was confirmed by the Secretary of State (SoS) in January 2019. The High Court on 10th October 2019 dismissed a statutory challenge brought by the Appellants of the SoS's decision to confirm the CPO.
 - 6.9. On 6th December 2019 an application was filed directly by the Appellants at the Court of Appeal requesting permission to lodge an appeal against the High Court judgement. Both the SoS as the First Respondent and the Council as Interested Party have filed statements outlining why permission to appeal should be refused on the 17th and 19th December 2019 respectively.
 - 6.10. In order to strengthen the obligations to the SSM traders to help them continue trading and provide support during the construction phase of the Wards Corner development the Council entered into a Deed of Variation to the existing Wards Corner S106 agreement with Grainger on 25th July 2017. The key changes made are outlined below.
 - Temporary market to be located in Apex House – This is a residential development directly opposite the Wards Corner site which is also being undertaken by Grainger. There is commercial space on the ground floor of the building where the temporary market will be located.
 - Free relocation 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).
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- Provision of the following services in the temporary market – all stalls will have water, electricity, telecommunications, decoration (painting), flooring and (as appropriate) gas, drainage and ventilation.
- Advertising – 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
- The licence fee will never increase more than once a year.

6.11. The new SSM will be located in a new and modern building, designed specifically to house an indoor market. The ground floor plan for the approved Wards Corner development planning application shows provision for the new market area of around 865m², comprising 50 small units, fronting onto Seven Sisters Road and Tottenham High Road, including spaces for cafes and the re-provision of a toilet within the market area.

6.12. The new SSM will provide market traders with a stronger presence on the High Road and/ or Seven Sisters Road (as a result of improved visibility at street level, entrances, and signage). This will offer opportunities for increasing footfall and revenue for the market traders, improving the condition of their operation, and integrating the market into the regeneration of the wider area.

Policy Advisory Group Background

6.13. Given current ongoing issues with the management of the market, the Policy Advisory Group (PAG) has been set up to focus on issues pertaining to the future ownership and management options for the SSM. Agreed Terms of Reference for PAG are included within Appendix 1. These along with criteria, key messages and a Key Stakeholder Engagement Strategy (including Spanish translations) have been made available on the Council's Seven Sisters Regeneration webpage – www.haringey.gov.uk/wards-corner

6.14. PAG is chaired by the Cabinet Member for Strategic Regeneration and Finance. Membership of the Group is made up of ward member from Tottenham as follows:

- Cllr Adje, Cabinet Member for Strategic Regeneration, Chair
- Cllr Gunes, Tottenham Green Ward Member, Deputy Cabinet Member for Women and Equalities
- Cllr Tabois, Tottenham Green Ward member
- Cllr Hakata, St Ann's Ward Member

- Cllr Bevan, Northumberland Park Ward Member

6.15. PAG is not a decision-making body. The group is making recommendations regarding options for the future management of SSM, which are then presented by the Cabinet Member for Strategic Regeneration and Finance, the Chair, to Cabinet.

Independent market expert review

6.16. The Council commissioned Roger Austin, an independent consultant, to work with PAG and the key stakeholders to understand the most viable options for the future management of SSM.

6.17. The review has been informed by case studies and the key stakeholder engagement process that has taken place over the last 6 months. Key stakeholders consulted included:

- Permitted Market Traders – 23 out of 35 permitted traders were interviewed;
- Grainger
- Transport for London (TfL)
- Greater London Authority
- Market Asset Management
- Council Officers

6.18. The independent consultant reported to PAG Members at key stages during the commission. The reporting process was undertaken to aid 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 SSM.

6.19. The review was predicated on the fact that a model could be applicable to any location regardless of other circumstances. This was because the review and its recommendations was not about promoting any particular building or development proposals but about finding the right solution that is pragmatic, financially sustainable and implementable within the stated timescales.

6.20. In addition to the Partnership Model, some additional recommendations are made by the review to support the governance of the new market model. It is acknowledged that these recommendations will require approval from some of the key stakeholders in order to be delivered, they include:

1. Key stakeholders seek the expertise from a range of sources to advise and guide them during this process.
2. Redefining the list of key stakeholders relating to SSM.
3. The drafting and approval of a Key Stakeholder MoU/Charter outlining the commitments and who will deliver these.
4. Seek the support of more than half (18) of Licenced Traders for the Partnership model and progress with its development.

5. 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.
6. 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.
7. Appoint the Market Facilitation role (funded by Grainger as part of the s106 obligations) to support the development of the Partnership Model.
8. 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.
9. 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.
10. 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.
11. Grainger to soft market test 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.
12. The Wards Corner Policy Advisory Group continues to receive updates from the appointed Market Facilitator and challenges where required.
13. That a series of Key Stakeholder workshops are organised in preparation for the development of a comprehensive market strategy for Seven Sisters market.
14. Explore the option for a social value lease for the market beyond the first five years.
15. The selling or sub-letting of units is not permitted.

7. Contribution to Strategic Outcomes

- 7.1. The Seven Sisters Market is important to the Council's Community Wealth Building objectives as the market supports the livelihoods of small and micro business that caters for the needs of the local community. The market also includes the Latin Village which support the diverse cultural and economic vibrance of the Seven Sisters Area.
- 7.2. When in place the review's recommended Partnership market management model will support the retention and growth of the Seven Sisters Market in its temporary location at Apex House and in its new permanent home in the Wards Corner development. Also, it will support the market 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 Tottenham.
- 7.3. A thriving SSM is integral to the future success of the Wards Corner development proposals, which will contribute to the delivery of the priorities of the Borough Plan, and in particular Priority 1 (Housing) and Priority 4 (Economy), as well as to the more detailed expression of these ambitions in The Tottenham Area Action Plan (AAP) and Tottenham Strategic Regeneration Framework (SRF).

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

- 8.1. The acceptance of the recommendation of this report does not give rise to any financial implications for the Council.

Procurement

- 8.2. Strategic Procurement notes the contents of this report however, there is no intervention required from the Council from a procurement perspective.

Legal

- 8.3. As mentioned in this report the Council has entered into a Development Agreement with Grainger which sets out the obligations between the Council and Grainger with regards the redevelopment of the Wards Corner site. Members should bear in mind that the Council do not have any land interest in the SSM and any recommendation in the PAG review would require the approval of and working with those with a legal interest in the SSM.

Equality

- 8.4. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 8.5. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.6. The report relates to Seven Sisters Market and options for its future management. It is notable that the vast majority of traders who occupy units and stalls within the market are from Latin American communities. Any decision regarding the market therefore requires due regard for the need to achieve the three aims of the Public Sector Equality Duty for the market traders, who share the protected characteristic of race by virtue of their Latin American ethnicity.
- 8.7. The report asks members to note the findings and recommendations of the independent market experts review of the possible management models that would be most applicable to Seven Sisters Market. The profile of the market traders and the extent to which they share the protected characteristics should inform

members' noting of the recommendations. Members are not being asked to make a decision on any of the management models

- 8.8. The report notes that the PAG Review recommends implementation of the recommendations stated at para. 6.26. It is notable that those most directly affected if these recommendations were to be implemented share the protected characteristics, and any such implementation will be required to be carried out with due consideration for the needs of individuals and groups who share the protected characteristics.

9. **Use of Appendices**

Appendix 1 – PAG details

Appendix 2 – Independent Review into the future management models for Seven Sisters Market

10. **Local Government (Access to Information) Act 1985**

- 10.1. A large amount of information about the Wards Corner Regeneration project is available on a dedicated website at www.haringey.gov.uk/wards-corner.