

Individual Executive Decision Notice

Report title	Licenced traders temporary rent reduction	
Decision designation	GREEN	
Cabinet member with lead responsibility	Councillor Steve Evans, Cabinet Member for City Environment and Climate Change	
Wards affected	(All Wards);	
Accountable Director	John Roseblade, Director of City Housing and Environment	
Originating service	Markets	
Accountable employee	Author name	Jo Till
	Tel	01902 555161
	Email	Joanne.till@wolverhampton.gov.uk
Report to be/has been considered by	Directorate Leadership Team	15 February 2022

Summary

Cabinet delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve agreements within the service, to be confirmed through an Individual Executive Decision Notice.

Recommendation for decision:

That the Cabinet Member for City Environment to:

1. Approve the incentive for licensed market traders for January & February 2022.

1.0 Purpose

- 1.1 The purpose of this report is to seek approval to provide financial support to traders throughout the January & February 2022 period with temporary rent reduction.

2.0 Background

- 2.1 Fees and charges are set on an annual basis through cabinet approval. During the duration the cabinet member with responsibility for markets can approve incentives to sit alongside these. Incentives are designed to increase or retain occupancy levels and are changeable depending on the current trends.
- 2.2 Current incentives on offer enable all Open Market licensed traders to be offered a 20% discount on fees for payments made one month in advance during the Kipper Season (January to March). This offer is designed to retain occupancy at a good level during this period.
- 2.3 Casual, Cabin and indoor traders are not eligible for this offer, likewise any open market trader who has arrears.
- 2.4 Take-up of this incentive is low with only those that can afford to pay a full month's rent upfront taking this offer up and is not supportive equally or inclusively across the service.
- 2.5 Retail within the city has been and still is being impact with covid and footfall to the markets have been impacted.

3.0 Proposed works

- 3.1 A review of the incentives across the portfolio is necessary to ensure that this remains suitable for the current demands which will take place within the 2022 - 2023 financial year.
- 3.2 For the period of January and February 2022, while retail is recovering from covid impacts, a reduction of 10% of rental fees be applied to all licensed traders. This will result in a loss of income circa £14,000 to the service.
- 3.3 Those licensed traders who are currently eligible for the 20% kipper incentive will continue to be eligible for the 20% incentive. They will not receive both discounts. This incentive will cost £1,600 and those eligible have already applied.
- 3.4 The incentive schemes, together with fees shall be reviewed this year and a revised scheme will be consulted upon and implemented for next year. This is a one-off subsidy.

4.0 Evaluation of alternative options

- 4.1 Options considered included extending the current 20% kipper incentive to all licensed traders for the periods January, February and March 2022 which would result in a loss off income of circa £41,000 to the service.

4.2 Alternative structures were also considered such as 25%, 15%, 10% & 20% for a variety of periods of either one month, two-month, three month or stages. The minimum impact on income to the service with these options is circa £7,000 and maximum impact rises to circa £50,000.

5.0 Reasons for decision

5.1 The impact to income has been considered for all options and the proposed is the preferred option to ensure a minimal impact on the service whilst also providing further support for all traders during a difficult trading period. This proposal will also save traders up to £30 per week.

6.0 Financial implications

6.1 There will be financial implications on the income for markets with a shortfall of £14,000 of projected income forecast to the service and £1,600 kipper incentive.

6.2 This will increase the pressure on the Market service budget.

6.3 The overall Directorate for City Housing and Environment are able to fund this shortfall from underspends in other areas.

[SB/15022022/W]

7.0 Legal implications

7.1 The Cabinet Member for City Environment and Climate Change is authorised to make this decision under the Councils constitution.

[DA/15022022/1]

8.0 Equalities implications

8.1 The current kipper scheme disproportionately favours traders who are financially better off and in effect penalizes those who may need the help the most.

8.2 The new incentive scheme to be developed for next year shall undergo an equality impact assessment.

9.0 Climate Change and Environmental implications

9.1 There are no climate change or environmental implications arising directly from the recommendation in this report.

10.0 Human resources implications

10.1 There are no direct human resources implications arising from the recommendation in this report.

11.0 Corporate landlord implications

11.1 There are no corporate direct landlord implications arising from the recommendation in this report.

12.0 Covid implications

12.1 The Covid-19 pandemic has had a significant international, national, and regional impact and every industry has been globally affected.

13.0 Schedule of background papers

13.1 None

14.0 Schedule of appendices

14.1 None