

**Report to the North Weald Airfield  
Strategy Cabinet Committee**



**Report reference:** NWA-002-2009/10  
**Date of meeting:** 27 July 2009

**Epping Forest  
District Council**

**Portfolio:** Finance & Economic Development.  
**Subject:** North Weald Airfield Market.  
**Responsible Officer:** Mark Scott (01992 564407).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

---

**Recommendations/Decisions Required:**

- (1) To note the present arrangements for holding of the North Weald Airfield Market;**
- (2) To recommend that the performance of the present contractor is examined taking into account financial stability, management and feasibility of future proposals;**
- (3) To authorise officers to approach landlords of other market operators with regards to references, financial viability and contract fulfilment; and**
- (4) To request officers report back to this Cabinet Committee in October 2009 on the findings of the reviews so that Members can make recommendations to Cabinet on the most beneficial and cost effective way forward to procure a Market operator from August 2010.**

**Executive Summary:**

On 27 January 2009 the existing market operator, Rondeau General Merchants (trading as Hughmark International) went into administration. They had been successfully trading since the late 1980s. A new licence was granted to Hughmark Continental to expire on 9 August 2010. This report outlines the considerations needed to be taken for the continuation of providing a market at the airfield after this date.

**Reasons for Proposed Decision:**

The Market is essential to the financial viability of the Airfield so there needs to be enquiries into the present and potential alternative operators to ensure the Council gets a quality operator with the highest income.

**Other Options for Action:**

Renew the licence to Hughmark Continental on an exclusive basis.

**Report:**

1. Before the present operator went into administration, the Cabinet agreed on 31 July 2007:

(1) *That the current Retail Market Licence is surrendered and a new Retail Market Licence with amended terms be granted;*

(2) *That the length of the new Retail Market Licence be from 2007 to 2017, subject to an annual, landlord only, break clause from 2010;*

(3) *That the new Retail Market Licence be uplifted by £ 1,000 per market with effect from 2010, with annual index linking for inflation; and*

(4) *That in addition to the existing annual Airfield Improvement Contribution and as a single additional contribution to the Airfield Improvement annual charge, a lump sum payment of £ 150,000 be contributed by Rondeau General Merchants Ltd, trading as Hughmark International (Hughmark International), towards the surfacing of the Meadow Area at the commencement of the new agreement.*

2. The provision of the extra car parking on the Meadow Area was necessitated by the car parking requirement resulting from Hughmark International's use of Hangar 1 as an indoor market and events venue. With the subsequent re-letting of Hangar 1 for steel fabrication the extra car parking area was no longer required.

3. Hughmark International wished to renegotiate the terms of the new licence to include their provision of a new permanent brick built toilet and first aid facility to replace the 10-year-old Portakabin toilets, now at the end of their economic life.

4. On 27 January 2009 it was disclosed that Hughmark International had gone into administration. The new licence was not completed due to ongoing further negotiations with Hughmark International. Discussions between Officers, the Administrators and the Director of Hughmark International resulted in a temporary licence, under the existing terms, being granted to Hughmark Continental Ltd, an existing Company owned by the Director for the purpose of operations in Europe, until April 2009. This was granted under the delegated powers of the Director of Corporate Support Services. The Administrators confirmed that they did not wish to be party to any new licence.

5. At its meeting on 5 February Cabinet noted the temporary licence and agreed that, subject to a satisfactory performance and payment record under the temporary licence, a new licence on comparable terms as the former licence be granted to Hughmark Continental Ltd until 9 August 2010 and that a further report be submitted to the Cabinet in due course on proposals for the way forward.

6. The new licence was completed on 8 April 2009 and since that date Hughmark Continental Ltd has paid all monies due in a timely manner, including the arrears of licence fee accrued under the former licence to Hughmark International. The market operator is keen to resurrect their proposals for the new toilet block and has also proposed installing a vehicle pay gate system on an income share basis with the Council.

7. Although they have been successfully trading for three months, under the new Company title, it is recommended their performance needs to be considered in relation to other leading market operators and in consultation with their landlords with regards to references. To enable the August 2010 deadline to be met this process would be undertaken by October 2009 leading to a recommendation for the arrangements for the way forward from August 2010. An appraisal process was successfully implemented in 2000 prior to the grant of the previous long-term licence.

8. It is needed to undertake the process well in advance of the end of the licence as

traders, if they are aware that an agreement may end, could begin to move from one operator to another. This would have a detrimental affect on the viability of the present market. A full review of other operators needs to be undertaken as there are many issues with regards to their financial viability, the legality of the goods they sell and the security and management of the business which need to be established and assessed in light of this Council's policy on risk etc.

**Resource Implications:**

Income of £844,790 per annum.

**Legal and Governance Implications:**

Section 123 Local Government Act 1972 – best consideration for the land and property assets.

**Safer, Cleaner and Greener Implications:**

Any implications to the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative as well as any Crime and Disorder issues within the District.

**Consultation Undertaken:**

None.

**Background Papers:**

Cabinet reports dated 3 September 2007 and 5 February 2009.

**Impact Assessments:**

None undertaken.