

Background

The Market Place is an area central to Market Rasen which houses a weekly market, limited free parking facilities, and serves as an event space for various seasonal events and pop-up markets. It provides a cobbled open space with seating areas within the heritage area of the town.

Market Rasen Town Council (MRTC) leased the Market place from 2001 until 2021 on a commercial lease. In 2020 talks began with the landowner's agent to discuss the future of the Market Place and it was evident that any new lease would involve significant increases in rental costs, as the landowner had, for several years, not imposed the scheduled rent increases they were legitimately able to under the terms of the contract. As future options were explored it became apparent that not only was the landowner willing to sell but that in the long term the purchase of the land would be the more financially sound option to enable MRTC to retain the Market Place for the town. Not only because expenditure could be fixed for the term of the loan but because repayments were likely to be lower than the potential rental cost and of course at the end of the loan MRTC would incur no further rental / purchase costs. At this point the Council voted to purchase the Market Place subject to the outcome of public consultation and for an independent valuation to be undertaken by surveyors. The council additionally sought legal advice and confirmed that the land was not subject to any chancel repair liability or other covenants not currently included within the lease.

It was not possible to finalise a purchase by the end of the 20-year lease in early 2021 and a 1-year lease was put in place at £5000 per annum. There was no provision to continue this lease after the year and new terms would have to have been negotiated, should the council wish to continue to lease the land. It was stressed that the cost of the one-year lease is a temporary one and any further lease was likely to be at increased cost with scheduled rental increases.

The negotiated purchase price for the Market Place was £122,500.

The Council was able to fund some of this cost and the legal costs from its own funds but would need to borrow £115,000 from the Public Works Loan Board.

Public Consultation

The Market Place is used in a variety of ways by residents and if the council was unable to secure it for the future use of the town, there was a risk of the loss of the Market Place for the community.

To ensure that MRTC were acting in line with resident wishes in this matter, a public consultation was held including an online survey between 01/07/2021 – 31/07/2021 and two Councillor engagement sessions where a paper survey could be completed, and residents had opportunity to seek further information (03/07/2021 & 24/07/2021). The public consultation was advertised on social media, the council's website, with posters throughout the town and via a piece in the local paper. FAQs were also made available on the council website.

The Survey included the following information:

The Council has leased the Market Place for the previous 21 years, the current lease will end in 2022 and the Council would like to purchase the land to ensure that it can be retained by the town. To do this the Council will need to borrow up to 100% of the £122500 purchase price in the form of a fixed low rate, long term government loan. As the Council currently pay rent on the Market Place and

receive an income from market stalls, they do not intend to raise the precept (council tax) to cover repayments of the loan, however, the precept will as always be subject to change to cover other expenses. The Town Council would like to know if you agree with them borrowing the money.

And asked:

Do you agree that Market Rasen Town Council should take out long-term borrowing to purchase the Market Place?

Response options were simply yes or no.

Results:

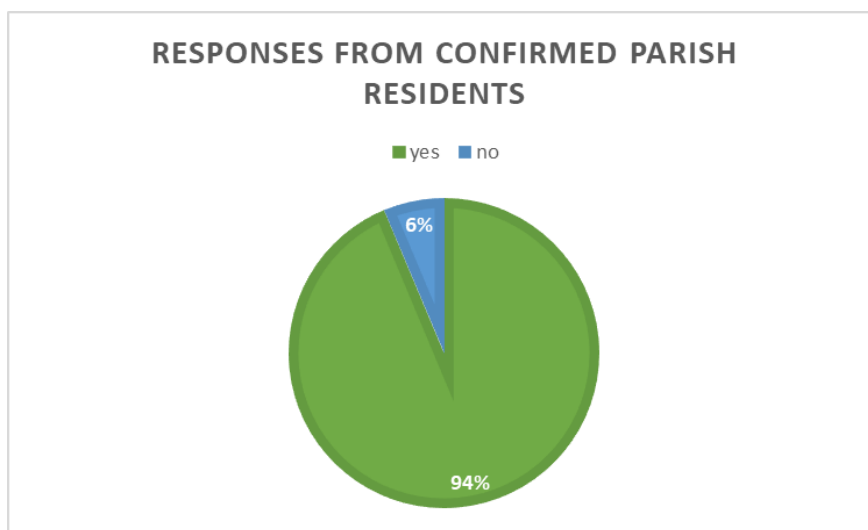


Figure 1. percentages of yes and no responses from confirmed residents.

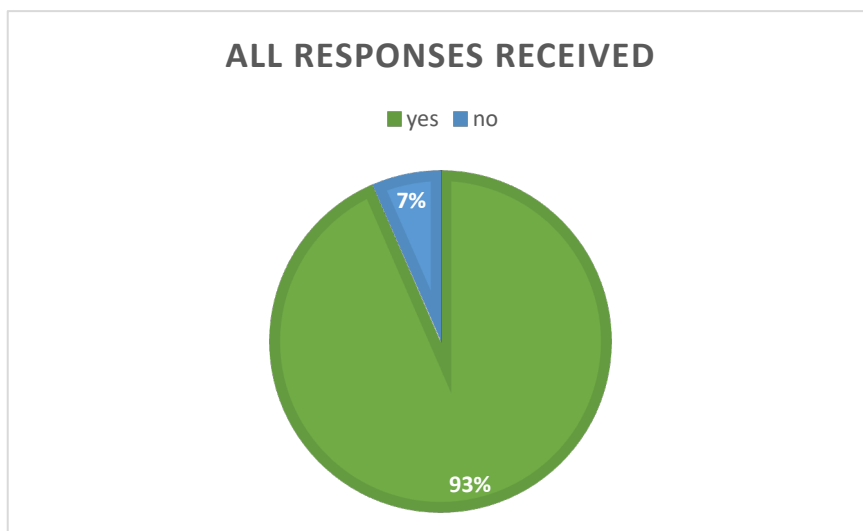


Figure 2. Overall percentages of yes and no responses.

Across electronic and paper formats 138 responses were received of which 111 were identifiable as responses from residents of the Parish of Market Rasen*.

Of all responses received 129 responses were yes and 9 no.

Of the 111 resident responses 104 were yes and 7 no.

Therefore, of those residents that responded an overwhelming majority supported the council borrowing to purchase the Market Place.

**Respondents were asked to provide their address to allow identification as a resident of the Parish of Market Rasen (as it is the parish residents who pay the precept and face any fiscal impact and it is these residents to whom the Council are accountable). Where residency could not be confirmed this was in some cases due to no address being left and some cases because the respondent address was outside of the parish.*

Update

Following rigorous scrutiny by the Department for Levelling Up, Housing and Communities, MRTC's request to the Secretary of State for permission to borrow was approved in December 2021 and a Public Works Loan Board Loan for £115,000 was granted over 25 years at a fixed interest rate of 2.040%.

MRTC completed on the purchase of the Market Place in March of 2022 and work on the layout of and the installation of street furniture has begun, this work will be a main area of focus for the Council in 2022-2023.