Market Management Draft Policy

Policy Number:

Approved by Council:



DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

Authorised official'

Means an employee of the Municipality responsible for carrying out or exercising anylawful duty, function or power and includes employees delegated to carry out or exercise such duties, functions or powers.

'Municipality

Is a town, city, or district with its own local government that handles local serves in terms of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), or any structure or employee of the municipality ties acting in terms of delegated authority.

Event

Means sporting, entertainment, recreational, religious, cultural, exhibition, organisational or similar activities hosted at a stadium, venue or along a route or within the respective precincts, *as per the Municipality's Events Policy*.

External Operator

Means an external person or entity that operates a market on municipal land.

Facilities Management

Means activities that ensure, amongst other things, the functionality, comfort, safety and efficiency of buildings and grounds as well as infrastructure and services.

Flea Market

Means a market where predominantly second-hand goods or antiques are sold.

Food Market

Means a market in which the sale of fresh produce and food is predominant, which can include prepared and unprepared food.

Governance

Means, in the context of markets, the rights of the Municipality or market entity to control space, evaluate stakeholder needs, direct action, and monitor performance.

Head Lease

Means a primary lease agreement between the Municipality
(landlord) and a third party which grants the third party the right to use and occupy a Municipal-owned property for a defined period for the purposes of running a market.

Informal Sector

Means—
i) employees working in establishments that employ fewer than five employees, who do not deduct income tax from their salaries/wages; and ii) employers' own account workers or persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

Informal Trade

Means the trading in goods and services in the informal sector by an informal trader, *as per the Municipality Informal Trading Policy.*

Informal Trader

Means a person engaging in informal trade, whether employer or employee*, as per the Municipality's Informal Trading Policy*.

Locally Produced

Means that goods, food or produce are produced or manufactured within the borders of Umdoni Municipality, the KwaZulu- Natal and South Africa.

Management

Means, in the context of markets, curation and the plans, structures, operational needs and monitoring activities (i.e., day-to-day activities) required to run a market.

Market Management

Means an agreement between the Municipality and a third party that appoints the third party to manage and operate the property on behalf of the Municipality.

Market Area

Means a demarcated area within a trading area which is designated as such in a trading plan and which is managed in a coordinated manner*, as per the Municipality's Informal Trading Policy* or an area which is managed by a market entity as appointed by the Municipality and contracted through a management agreement or head lease.

Market Development Plan

Means a structured document that outlines how a market will be transformed over time into a more inclusive, cohesive public space managed under a defined business structure.

Market Entity

Means a person, organisation or group with which the Municipality enters a contract for the purposes of providing services in a market.

Market Management planning

Means an operational plan focusing on the day-to-day, regulation, governance, and sustainability of markets, including vendor management, compliance, trader accountability and service delivery.

Market Manager

Means the individual/s reporting to the market operator, tasked to manage the day-to-day operations of a market.

Market Operator /Market Master

Means a person or organisation appointed by the Municipality to lead the overall management of a market, noting that the Municipality can act as a market operator as well.

Mobile Business Trading Areas

Means a trading area for mobile businesses within the jurisdictional area of umdoni Municipality

'Passive surveillance'

Means where natural monitoring occurs by the public of public spaces through their design (e.g., visible spaces, street-facing shop entrances) which increases visibility and discourages crime without relying on formal security measures.

'***place***

Means a building, location, etc., set apart or used for a specific purpose.

'Public space'

Means the natural and built environment used by the public on a day-to-day basis, such as streets, plazas and parks. Public spaces are publicly owned or for public use, accessible and enjoyable typologies of public spaces including streets, open public spaces, public facilities and amenities, and markets, as *per the Municipal Urban Design Policy*.

'Seasonal market'

Means a market that occurs regularly at a certain period or season of the year typically associated with popular cultural, religious or community harvest days.

'Service provider'

Means an entity contracted to deliver basic services such as cleaning, security or waste management on behalf of the City.

'space'

Means the tangible, built environment, including the layout, design, and physical characteristics of the area.

'Stall'

Means infrastructure used for the display, consumption, and procurement of goods, which may include shipping containers or prefabricated modules.

'Supportive Infrastructure

Means the essential facilities (e.g., lighting, ablutions, storage)that enable a market to function effectively for traders and customers.

'***trading plan***'

Means a plan adopted by the municipality to govern informal trading within a trading area, *as per the Municipal Informal Trading Policy*.

'***trader***'

Means a person or business offering something for sale or a related service. In the case of this Policy, it is the individuals or businesses that trade at a market. Traders for purposes of this Policy include informal traders.

EXECUTIVE SUMMARY

In line with the Municipal vision of contributing to job creation and economic viability through sustained local economic development to ensure the well-being of our community in an eco-friendly environment within the Umdoni Municipality, this policy aims to facilitate and create a network of successful markets that operate on Municipal-owned land.

Core purpose of the Policy

- To define a **series of governance and management models** for markets operating on Municipal-owned land – including markets operated by the Municipality and others that are run by external operators or alike.
- To outline the **Municipality's developmental approach** related to–

(a) the identification of new market spaces on Municipal-owned land;
(b) application process for developing new markets; and
(c) the improvement of existing market spaces through effective management models and capacitation.

Desired outcomes

- The Municipality will **endeavour to facilitate a network of vibrant, diverse and well-run** markets that contribute to its jurisdiction as a desirable location for business and placemaking;
- Each market should offer a **safe, vibrant and accessible space** to the benefit of all users and add economic, social and cultural value to the surrounding community;
- **Upskilling** the Municipality staff to support market operators and market management capacity in general;
- Provision of **affordable trading opportunities** within markets as well as economic opportunities for local entrepreneurs; and
- Establishing **clear roles and responsibilities amongst stakeholders** for the management of different types of markets.

Desired governance approaches

There are three main approaches that are suggested for market management, which are selected based on the larger urban context in which the market is situated as well as the market itself.

- **The external operator approach** is where an external operator operates all aspects of the market, including the management of traders, through an appropriate written agreement.
- **The hybrid approach** is where the Municipality and a market entity co-manage the market, with day-to-day operations and management responsibilities delegated to a formally recognised market entity through a legally binding management agreement. Depending on the maturity of the market entity, the Municipality may continue to deliver some aspects of the market's operations.
- **The Municipal-managed approach** is where the Municipality is responsible for all operational, management and developmental aspects of the market.

Developmental approach

The overall approach for the Municipality is to, over time, improve the **self-sustainability and potential** of markets across the Municipality. Through the development of Market Development Plans (MDPs) for each market (or collection of markets), with appropriate infrastructure and services, the Municipality, together with partners and operators, will aim to mature our overall market offering. This includes through

monitoring and evaluation of market conditions and performance, as well as the provision of structured training and development programmes for exiting and aspiring market traders and market operators.

Application of the Policy

[1] **This Policy applies to:**

i. **All markets that operate on Municipal-owned property** within the municipal area. This includes permanent or recurring markets (e.g., weekend or regular seasonal markets) on municipal-owned property.

ii. **Market entities, market operators, market managers, service providers and traders that operate at markets** (as it pertains to market rules), noting that for some markets individual permits such as informal trade permits.

This Policy is not applicable to: Markets operating on properties **not owned** by the Umdoni Local municipality.

ii **Markets held at** e**vents** within the municipal jurisdictional area, which may in any way require the services of the Municipality, have implications for public safety, the environment and local.

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1. INTRODUCTION AND BACKGROUND

1.1 Markets have the demonstrative potential to provide residents with access to a variety of different goods and services at more affordable or wholesale prices, contribute to sustainable supply chains and food systems, support locally produced goods, positively impact the wider job market, and contribute to the business ecosystem and socio-economic resilience of the economy.

1.2 Markets can act as gathering points and centres of neighbourhoods, adding vibrancy to public spaces, stimulating social and economic activity, and promoting local culture and heritage.

1.3 The use of municipal-owned land for markets has the potential to yield multiple positive outcomes for local economic growth and social development.

1.4 In line with the Municipal vision of contributing to job creation and economic viability through sustained local economic development to ensure the well-being of our community in an eco-friendly environment within the Umdoni Municipality, this policy aims to facilitate and create a network of successful markets that operate on Municipal-owned land.

2. PROBLEM STATEMENT

2.1 The potential impact of current and potential markets on public land is compromised by the fact that establishing and managing markets can be complex, with the governance and management approaches often not well suited to maximising the socio-economic development benefits. Many markets currently struggle to be financially viable due to operational inefficiencies and contextual constraints. To stimulate economic growth and employment opportunities, as well as the supply of goods and services to communities across the Municipality, this Policy sets out guidelines for establishing well-managed and serviced markets.

2.2 There is a lack of clear guidance for internal and external stakeholders on the differences between markets, events and street trading and the respective regulatory requirements and processes.

2.3 There is no standardised market application process in place, and there is a lack of coherent and strategic governance and management approach/es for markets.

2.4 There is often a lack of dedicated management capacity in markets and larger precinct areas, which leads to a lack of responsiveness to emerging challenges and day-to-day operations.

2.5 Currently, the municipality is guided by the Informal Trading Policy, adopted in 2023, in terms of the management of trading areas as well as the formal

establishment of markets. However, the municipality lacks an approved Policy to guide the establishment, governance, and management of markets on municipal-owned land.

2.6 As a result, markets are not regulated or managed in as coordinated a manner as they should be. To be sustainable, markets require ongoing capital investment and maintenance with associated operational management.

2.7 In addition, some of the other major challenges are:

(a) Defining what a market is, typologies of markets, or when a trading area becomes a market that operates on municipal land;

(b) Undefined roles and responsibilities amongst internal and external stakeholders;

(c) Communication breakdown amongst internal and external stakeholders;

(d) The sale of a narrow range of products leading to a limited customer base;

(e) Lack of a sustainable business model for proper market management;

(f) Lack of market trader and manager development training;

(g) Poor infrastructure maintenance and overcrowding in some instances;

(h) Lack of quality facility management that includes infrastructure such as the lack of well-maintained and serviced ablution and storage facilities;

(i) Safety and security issues in certain markets;

(j) Lack of business development to grow economic opportunities and sustainability, which leads to despondency for sector stakeholders; and

(k) For many markets, daily operations are not properly managed, as there are no Standard Operating Procedures (SOPs) or designated market managers (or similar), and this results in inconsistent decision-making.

3. PURPOSE

3.1 To develop a Policy that functions within the relevant legal context;

3.2 To provide more clarity on market governance and management modalities;

3.3 To define a series of governance and management models for markets operating on municipal-owned land. This includes markets that are operated by the municipality and others that are run by external operators or alike;

3.4 To facilitate the contracting of market operators to manage markets on municipal-owned property where possible or feasible;

3.5 To support trader and trader organisations' involvement and their ability to participate in management of applicable markets;

3.6 To outline the Municipality's developmental approach and associated support programmes related to—

(a) the identification of new market spaces on municipal-owned land;

(b) the application process for developing new markets; and

(c) the improvement of existing market spaces through effective management models and capacitation;

3.7 To develop clearly defined roles and responsibilities regarding the approval of applications and management of markets for both municipal departments and market operators and traders;

3.8 To provide market operators with a clear framework of the municipality's process flow to obtain approval for markets or designation as a market operator, and the requirements, conditions, and guidelines for the operation of markets on municipal -owned land.

3.9 To ensure the adoption of a consistent process to assess market applications, and allocate permits, leases and licences where applicable.

4. DESIRED OUTCOMES

4.1 Each market should offer a safe, healthy, vibrant and accessible space to the benefit of all users and add **economic, social and cultural value** to the surrounding community.

4.2 Markets should be **financially sustainable** and, as far as possible, generate sufficient revenue to meet their operational and capital costs, reducing the need for the municipality to take responsibility for day-to-day management of markets over time.

4.3 The Municipality will endeavour to facilitate **a network of vibrant, diverse and well-run markets** that contribute to the jurisdiction of Umdoni as a **desirable location for business** and **placemaking** by:

(a) Stimulating, within the Municipality's functions, **local production and manufacturing of goods** as well as supporting **sustainable food systems** by creating accessible markets for producers and customers to come together;

(b) Creating a conducive and **supportive environment** for all stakeholders involved in markets;

(c) **Upskilling** the municipality's staff to support market operators and market management capacity in general;

(d) Providing **affordable trading opportunities** within markets as well as economic opportunities for local entrepreneurs; and

(e) Establishing **clear roles and responsibilities** amongst stakeholders for the management of different types of markets.

5. STRATEGIC ALIGNMENT

5.1 The Constitution of the Republic of South Africa, 1996

(a) Local governments have a constitutional mandate to promote social and economic development. The Constitution also adds that when government conducts itself as an agent of socio-economic development, it should align its administrative and management methods to support such causes (Constitution of South Africa, 1996:89-90). The setting of regulations for trading is one of the responsibilities assigned to local government by the supreme law of the land.

5.2 Umdoni Municipality Integrated Development Plan (2022-2027)

(a) **Economic Growth Priority**: The municipality is committed to increasing jobs and investment in the local economy by simplifying regulations and processes so that it is easy for businesses to start and grow (which includes required permits and permissions). Creating an enabling environment for economic growth and job creation, in both the formal and informal sector, through appropriate infrastructure development, services and the utilisation of municipal assets for economic activity. Coordinated precinct development and management approaches are critical to facilitate economic growth in targeted areas, including spaces where economic activity occurs such as markets or trading spaces.

(b) **Safety Priority**: To ensure that markets are safe spaces to trade from and visit. This includes working with traders, market operators, communities and the municipality to improve safety and security in and around sites. Market spaces should be designed to improve safety through passive surveillance, removing dangerous obstacles and hazards for users and ensuring emergency access and exits are maintained, among other safety and security interventions.

(c) **Public Space, Environment and Amenities**: Design and manage quality public spaces and facilities where communities can gather to trade, collaborate and relax in a safe and welcoming place.

(d) **Resilient Municipal Foundation**: Markets can provide access to goods and services and, in certain instances, to healthy fresh produce and food

products and encourage pedestrian activity to and from markets. This can add to improved health outcomes for individuals and communities.

(e) **More Spatially Integrated and Inclusive Municipal Foundation**: Markets are traditionally at the heart of communities, bringing together people from near and far that can attract other activities around markets and can create a sense of place and identity. From an inclusivity perspective, it also speaks to the more accessible consumable and household items that are made available, particularly for consumers who might not own fridges or have a stable electrical supply. Food security and access are ongoing concerns in the municipal jurisdiction, and markets can play an important role in the food system/chain to create access to food as well as driving demand for locally produced food.

(f) **Capable and Collaborative Municipal Government Foundation**: Traders rely on the consistent provision of services to support their operations, easy access to markets, and clear trading processes and regulations. The municipality needs to ensure efficient, responsible and sustainable service provision and management arrangements for markets across the municipality.

5.4 **Municipal Spatial Development Framework (2026)**

The Municipal Spatial Development Framework (MSDF) has spatial strategies, and markets as centres of social and economic activity should contribute to all three strategies as outlined below.

(a) *Spatial Strategy 1: Plan for economic growth and improve access to economic opportunities*: Trading and markets directly contribute to economic growth through job creation and supporting larger supply chains in the Municipality. Policy 3 under this Strategy states that mechanisms should be put in place to support the development and growth of small business and township economies that include proactively planning for markets as well as associated services, infrastructure and management arrangements.

(b) *Spatial Strategy 2: Manage urban growth, create a balance between urban development, food security and environmental protection*: As the municipality grows, so will demand for goods and services, which means the Municipality should proactively plan for and develop markets. In pursuance of Policy 21, markets enhance the availability and access to food, including fresh and healthy food, particularly for food-insecure communities. As part of the larger food system, markets must consider their larger context, including reducing environmental impact.

(c) *Spatial Strategy 3: Build an inclusive, integrated, vibrant and healthy city*: Facilities such as markets must be integrated into the larger urban fabric, creating vibrant and connected public spaces and facilities. This is particularly important in marginalised areas such as townships to support and develop attractive, well-serviced and safe public spaces where economic opportunity is possible. Market development can also promote urban regeneration and tourism and enrich local economies and quality of life.

6. REGULATORY CONTEXT

6.1 The Constitution of the Republic of South Africa, 1996

(a) Schedules 4 Part B and 5 Part B

(b) Section 22 - Freedom of Trade, Occupation and Profession

(c) Section 25 - The Right to Property

(d) Section 33 - The Right to Just Administrative Action

6.2 National regulatory context

(a) Businesses Act, 1991 (Act No. 71 of 1991)

(b) Drugs and Drug Trafficking Act, 1992 (Act No. 140 of 1992)

(c) Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972)

(d) National Health Act, 2003 (Act No. 61 of 2003)

(e) Meat Safety Act, 2000 (Act No. 40 of 2000)

(f) Second-Hand Goods Act, 2009 (Act No. 6 of 2009)

(g) National Road Traffic Act, 1996 (Act No. 93 of 1996)

(h) Liquor Act, 2003 (Act No. 59 of 2003)

(i) Local Government: Municipal Finance Management Act, 2003, Municipal Asset Transfer Regulations (Gazette No. 31346 – Regulation No. 878)

(j) Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

6.3 The Umdoni existing policies and by-laws are contextually relevant and have implications for the implementation of this Policy. These include, but are not limited to:

Policy/By-law	***Relevance***
(a) *Informal Trading Policy, 2023* (b) *Events Policy, 2016*	Regulates and manages informal trade within the Municipality. Includes details, parameters, and processes related to informal trading permits as well as the formal establishment of markets as part of trading plan development.
(c) *Streets, Public Places and the Prevention of Noise*	This Policy and By-law outline the Municipality's approach and regulations related to events. Some events may include a market element, or may be a market-based event.
(d) *Outdoor Advertising By-law, 2023;*	The Municipality has an obligation to regulate public nuisances in public spaces that includes public markets.
(e) *Environmental Health By-law, 2003;*	Relates to the regulation of advertising and signage in public spaces. All advertising and signage is subject to the By-law.
	This By-law relates to the prevention and suppression of health nuisances to improve general environmental health. Functions include the issuing and enforcement of health certificates for food traders and improved hygiene practices and general environmental health (*as per the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972) and relevant regulations*).

7. POLICY PARAMETERS

7.1 This Policy applies **to:**

(a) All markets that operate on Municipal-owned property within the Municipality's municipal area. This includes permanent or recurring markets (e.g. weekend or regular seasonal markets) on municipal-owned property.

(b) This policy applies to market entities, market operators, market managers, service providers and traders that operate at markets (as it pertains to market rules), noting that for some markets individual permits such as informal trade permits and permissions continue to apply as per the municipal informal trading policy

7.2 This Policy does not apply **to:**

(a) Markets operating on properties not owned by the Municipality. However, markets on private land must still adhere to all relevant laws and regulations as well as municipal by-laws, including but not limited to land use and building safety regulations and conditions, transport and traffic regulations, and health and safety regulations. This includes allowing access to authorised officials who may enforce relevant municipal by-laws (as is the case for markets that take place on municipal-owned property).

(b) Events within the municipality's jurisdictional area, which may in any way require the services of the municipality, have implications for public safety, the environment and local communities and which occur in a public or private place as contemplated in the municipal Events.

(c) Informal traders trading in designated trading bays with trading permits in areas with trading plans outside designated markets as per the Municipal Informal Trading Policy.

8. ROLEPLAYERS AND STAKEHOLDERS

8.1 In supporting market development, **the Municipality** will focus on its roles as:

(a) **Regulator**: Creating an enabling regulatory environment (including appropriate policies and by-laws) for markets and establishing efficient procedures for the establishment and management of markets on municipal -owned land. Importantly, the Municipality also has a role in ensuring a safe and healthy environment and therefore has a role as an enforcing regulator.

(b) **Facilitator**: Facilitating improved opportunities for traders to develop and sell products through increased access to quality market spaces.

(c) **Promoter**: Actively promoting markets as platforms for economic activity, entrepreneurship and social interaction.

(d) **Initiator**: Adequately resourcing the implementation of the Market Management Policy and accompanying procedures.

8.2 This Policy relates directly to **internal Municipal departments** involved in informal trader management, market management, precinct management, including improvement districts, basic service provision and infrastructure development, skills and business development, among other departments. Specific internal coordination between departments will be defined outside of this document in SOPs as well as specific market agreements or written agreements as required.

8.3 General roles for municipal departments include:

Department	***Role***
(a) *Economic Development and Planning Department*	• Overall Policy implementation and management; • Coordinate services (provided by internal and external partners); • Regulate and administer trade including ensuring appropriate permitting where relevant; • Facilitate the establishment of new markets including working with internal departments and external stakeholders; • Plan for the use of public space by traders and for markets; • Support relevant legal and lease agreements, including working with relevant stakeholders and internal departments; • Ensure that management and lease agreements are managed appropriately (ensure commitments are adhered to) and relevant land is reserved; • Monitor current market operations; • Convene multi-stakeholder forums; • Establish and support market committees; and

	• Support developmental and training programmes.
(b) *Urban Regeneration Department*	• Where relevant, incorporate market management as part of larger precinct management efforts, including exploring shared infrastructure and services.
(c) *Facilities Management*	• Where relevant, support the management and maintenance of municipal facilities as part of market management.
(d) *Town Planning and Building Control Units*	• Undertake location, layout and forward planning for markets; and • Support site-specific planning and design guidelines (linked to development applications).
(e) *LED Unit*	• Work with the Economic Development and Investment Department to identify potential sites for permanent and recurring markets.
(f) *Town Planning & Building Control Units*	• • Confirm land use rights; and Assess building plans and temporary structures where applicable.
(g) *Law Enforcement Departments*	• Respond to general by-law infringements and to safety concerns, as required.

(h) *Traffic Departments*	• Consider and assess traffic and parking impacts, as required; and • Proactively consider markets as part of infrastructure rollout.
(i) *Fire and Rescue Department*	• Where relevant, assess fire and safety plans and perform relevant checks.
(j) *District Environmental Health Department*	• Issue and enforce health certificates for food traders as well as markets, as relevant; and • Improve hygiene practices through training.

8.4 **External stakeholders include:**

(a) Potential and current market operators;

(b) Potential and current service providers operating at markets on municipal-owned property;

(c) Traders and trader organisations;

(d) Other retailers, both formal and informal, in the community surrounding relevant markets;

(e) Community organisations and Neighbourhood Watch Groups;

(f) Local producers and manufacturers;

(g) Tourism sector participants;

(h) Other spheres of government; and

9. GUIDELINES FOR THE LOCATION AND DESIGN OF MARKETS

9.1 Markets need to be accessible, close to and along transport routes and close to other civic and economic opportunities, where possible.

9.2 **Clustering of markets** must be considered, particularly for markets which are near to one another. This may include clustering of support services and infrastructure which multiple markets can utilise such as ablution and storage facilities to improve economies of scale, marketing, increase footfall and which may improve management efficiency.

9.3 Markets should promote '**placemaking**', which requires:

(a) Being accessible and well connected to public transport routes and interchanges as well as active mobility routes (cycling and walking) as far as possible;

(b) Places that are well-maintained, comfortable and attractive;

(c) A flexible place used for a range of activities;

(d) A social and cultural place where people meet each other and take visitors to;

(e) Places that can accommodate and promote local culture, heritage and arts and culture activities;

(f) Considering the night-time economy where markets can play a role in utilising assets more effectively, add vibrancy and support increased safety;

(g) Being well integrated into the larger neighbourhood or precinct with complementary land uses and supportive infrastructure; and

(h) Sufficient, safe and appropriate auxiliary services such as public ablution facilities, storage and other related services.

9.4 As public spaces, markets should allow for and **promote social integration** (of income ranges, gender, religion, ethnicity etc.). Markets should ideally be universally accessible and accommodate people of all ages, including family and child-friendly spaces, with intentional design that, for example, offers **child-friendly activities and products.**

9.5 Markets should be seen as **part of the larger public realm** and should be integrated in and around public facilities such as public squares, open spaces, transport interchanges, cultural landmarks and alike. This will add vibrancy as well as social and economic opportunities.

9.6 Locating **fresh food markets** strategically in areas where surrounding land uses support market viability, especially in neighbourhoods where food access is limited.

9.7 Markets need to be configured in a way that enhances the **safety** of traders, customers and the surrounding communities, which includes increasing passive surveillance and adequate lighting (particularly for night-time markets). Markets should maintain permeability, wayfinding and legibility when considering safety interventions. Market stalls need to be well-spaced, customer-friendly and allow for safe transacting, including being responsive to local inclement weather conditions.

9.8 The municipality will develop and support improved market design and integration into the broader urban fabric by establishing appropriate **market**

design and layout guidelines. As part of this effort, the Municipality will promote healthy food environments through Healthy Market guidelines, which will focus on key elements such as sanitation, water accessibility, waste management, advertising standards, infrastructure, and safe and nutritious food practices.

10. MARKET TYPOLOGIES

10.1 The Municipality will accommodate the following range of markets on municipal-owned land: *Market Type Description*

10.1.1 General Market	Means a market where traders sell a range of products in a demarcated area. Traders are typically managed in a coordinated manner, and the market receives services such as security, waste management, marketing and promotions, among others.
Other market types	
10.1.2 Food Market	Means a market in which the sale of fresh produce and food is predominant, which can include prepared and unprepared food. These markets require additional hygiene interventions, certification, and specialised infrastructure and services[1].
10.1.3 Craft Markets	Means a trading area for craft businesses within the jurisdictional area of the Umdoni Municipality, as per the *Municipal Informal Trading Policy*.
10.1.4 Seasonal Market	Means a market that occurs regularly at a certain period of the year typically associated with popular cultural, religious, community and harvest days or periods.
10.1.5 Event Market or Popup Markets	Means a 'once-off' market designated as an event or an event that has a market/trade component as part of the event. **These markets are excluded from this Policy** *(although these markets could become permanent markets in the future, if viable and established as per Section 15 of this Policy)*.

11. MARKET GOVERNANCE APPROACH TO DATE

11.1 The Municipality's approach to market management has been guided by the provisions of the Municipality's Informal Trading Policy. This Policy makes provision for outsourced management (subject to competitive tendering) of market sites. Successful tenderers are granted the management contract for a specific period. Management agents are required to sign a legally binding agreement with the Municipality, which sets out the responsibilities of each party, and penalties for noncompliance.

[1] Note that addional hygiene interventions, certification such as environmental health certification and specialised infrastructure may be needed in other markets as well.

12. MARKET GOVERNANCE APPROACHES GOING FORWARD

12.1 The Municipality will broaden the way in which markets are governed by implementing the approaches described in Clause 12.2 and set out in the rest of this Policy. 12.2 The Municipality will consider the following governance approaches (summarised in

12.3 Figure 1):

(a) The **External Operator approach** is where a market entity runs the market under a market-related head lease[2] or a management agreement. The agreement may provide for remuneration or a fee payable to the Municipality for the right to operate the market. The external operator is responsible for all operational, financial and administrative aspects of the market, including capital investment, tenant management, maintenance, and compliance. This approach is applied where the market is operated for commercial return and where the scale and value of the opportunity justify the operator's investment in services, infrastructure and management capacity.

(b) The **Hybrid approach** is where the Municipality enters a co-management arrangement with a recognised market entity for the operation and management of the market. Day-to-day operational and management responsibilities are delegated to the market entity through a legally binding management agreement, which clearly defines the respective roles, responsibilities, obligations, and performance standards of both parties. The extent of delegation to the market entity is determined by its operational capacity and maturity. In developing or transitional markets, the municipality may continue to perform or support certain operational functions to ensure stability and compliance. The municipality retains overall oversight and strategic control, including responsibility for capital investment, regulatory compliance, and ensuring alignment with municipal objectives and public interest outcomes.

(c) The **Municipal-managed approach** is where the market is established, funded, and directly operated by the Municipality. The Municipality is responsible for all aspects of the market, including investing in capital improvements and maintenance. In some cases, the Municipality may outsource (some) day-to-day operations of the market to a service provider, through appropriate supply chain management procedures. This approach is suggested for markets that are not likely to be financially sustainable in the short term, but they offer economic and social

[2] Subject to Municipal Asset Transfer Regulations and relevant Municipal policies and by-laws.

opportunities for residents and visitors. The Municipality will be responsible for individual informal trader management and will collect permit fees.

13. SELECTING AN APPROPRIATE GOVERNANCE APPROACH

13.1 When the Municipality determines the appropriate governance approach for a specific market as discussed in Clause 12.2, the surrounding community context as well as the market opportunity, curation and content should inform the approach. Contextual and market-specific considerations are key for determining successful outcomes.

13.2 **Contextual considerations** include but are not limited to:

(a) Locational attributes and advantages such as being in a business district or close to a tourist attraction;

(b) The general urban context such as general service delivery levels and capacity as well as potential safety and security concerns;

(c) Other markets and retail activities in the surrounding neighbourhood as well as considerations such as market saturation;

(d) The local market and consumer base of the market;

(e) Surrounding residents as well as potential visitors and tourists;

(f) Other public facilities, trading spaces and surrounding land uses;

(g) Current urban or precinct level management arrangements in the area;

(h) Access to public transport links and interchanges; and

(i) Local manufacturing, producers as well as local food production.

13.3 **Market specific considerations** include but are not limited to:

(a) Current governance model or approach in place and the success thereof (if existing market);

(b) Current state of repair of infrastructure and what services are available on site;

(c) Current availability and condition of ablution, storage facilities and other trading infrastructure;

(d) Current traders mix as well as products and services offered;

(e) Current financial viability of market including supporting current onsite services; and

(f) Current and future customer base, which is impacted by accessibility of the market to the direct surrounding community as well as the larger region or municipality.

14. DEVELOPMENTAL APPROACH TO MARKETS

14.1 The Municipality is adopting a developmental approach to market management, enabling market entities to take on a greater role in operations and governance, depending on the entity's maturity and the market's potential. This means:

(a) For markets which have the potential to be outsourced, the External Operator and Hybrid approaches are preferred.

(b) The municipal-managed approach should be considered for those markets that are too small or have limited potential to become sustainable, independent entities in the short and medium term.

14.2 At a high level, when the municipality considers the potential of a particular market, it should consider the current:

(a) opportunity;

(b) resources; and

(c) team (or management capacity)[3].

14.3 Based on these factors, markets have differing levels and potential for self-sustainability. Some markets may have low levels of opportunity, resources and current capacity (teams) but may still fulfil important functions from a livelihood and access to goods and services perspective. On the other hand, other markets may have high potential, resources and high-capacity management teams in place.

14.4 Linked to the current and future potential of a market, the governance approaches discussed in Clause 12.2 should be selected – noting that as the market matures and its potential changes over time, the governance approach might need to change as well.

14.5 The municipality will, where appropriate, work with traders, trader organisations and others to manage relevant markets (with involvement and agreements based on the most appropriate governance approach). This may be particularly relevant for existing markets where there is interest from current traders and stakeholders

14.6 The overall approach is that the municipality will largely be more involved in markets with the lowest potential to improve sustainability over time. This may be particularly important in communities which may be less developed or in marginalised areas where municipal investment in general in the area can aid in creating more dignified spaces and in time can crowd in investment by residents and businesses.

14.7 The municipality should also play a role, with partners, to facilitate the development of larger markets that become destinations for locals and visitors. Incrementally, as the potential of a market improves, it will be more attractive to private sector investment and involvement.

14.8 Each market's journey towards improving potential and self-sustainability must be outlined in a Market Development Plan, as elaborated in Clause 16.

Governance and operational training

14.9 The Municipality recognises that both traders and market operators, existing and aspiring, may require some development and training. As such, the Municipality will develop structured support and training programmes which will include aspects including but not limited to:

(a) Establishing market entities with which the Municipality can establish formal agreements (if they do not exist);

(b) Creating formal systems, procedures and rules for the market;

(c) Stabilising the operations of the market including support to develop the market's brand and to advertise and 'market' the market;

(d) Building skills in market maintenance, vendor management, food safety and coordination of transversal services;

(e) Developing and facilitating training and capacity-building activities for market traders, market entities and for traders to become operators; and

(f) Developing an operational Business Plan for the market.

Market incubation programme

14.10 In line with the municipal developmental approach to overall market development, the municipality will implement an incubation programme particularly aimed at current and potential trader involvement and upskilling.

14.11 Under the Hybrid approach, the municipality will assess the market entity's operational readiness, internal governance structures, and policy compliance. Where gaps are identified, the trader group (market entity) will be enrolled in the Market Incubation Programme, which provides structured support through training, mentorship, and technical assistance.

14.12 The focused market incubation programme includes two phases:

(a) **Phase 1 – Intense Incubation**: This phase involves close municipal oversight while the market entity builds systems and capabilities to meet operational and compliance standards; and

(b) **Phase 2 – Market Scale-Up**: This phase commences once the market entity meets agreed milestones, enabling it to take on expanded responsibilities under the existing management agreement.

15. ESTABLISHMENT OF MARKETS

15.1 The municipality has the sole discretion to approve the establishment of a market designated footprint as part of the trading plan approval process (per the Municipal Informal Trading Policy) or following the Municipal Asset & Disposal policy.

15.2 Additionally, the municipality has the sole discretion to approve or decline any application for a market with due consideration and applicable legal and appeal processes.

Establishing markets via trading plans

15.3 Municipal-managed markets are established through trading plans as outlined in the Municipal Informal Trading Policy, which permits economic activity in certain municipal areas subject to the conditions of the policy. Markets are established via their inclusion on a Council-approved trading plan.

15.4 The Municipality will ensure that, as part of trading plan development and review, current and new market sites are considered and designated accordingly.

15.5 The Municipality will identify and designate market sites, considering relevant factors such as pedestrian flow, safety, local economic potential, and land use compatibility. This process involves investigating appropriate sites, identifying the accountable department, soliciting comment from relevant internal departments, negotiating the permission to trade, ensuring management of the site, advertising the site (public participation), and confirming the final market designated footprint via Council (as an addendum to trading plans where relevant).

Establishing markets via the Municipal Asset & Disposal Policy (MA&DP)

15.6 Markets managed by external operators, or under a Hybrid management arrangement, shall be established in strict compliance with the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) Municipal disposal policy. These legislative instruments provide the framework for the Municipality to enter into a management agreement or a market-related head lease with a formally recognised market entity through a regulated, transparent, and accountable process.

15.7 All such agreements shall:

(a) Clearly define the roles, responsibilities, and obligations of the Municipality and the market entity;

(b) Ensure proper oversight, monitoring, and reporting mechanisms are in place;

(c) Safeguard municipal assets and ensure value for money; and

(d) Align with the Municipality broader economic, social, and developmental objectives.

15.8 The municipality will issue a call for proposals to advertise market opportunities following the municipality Supply Chain Management Policy. Once an appropriate external operator or market entity has been identified, the municipality will follow the Municipal Disposal Policy process to formalise the management agreement or head lease.

15.9 Where the market is operated for socio-economic development purposes, the agreement must demonstrate:

(a) Alignment with the municipality developmental objectives and delivery of public benefit;

(b) That the market entity is a recognised socio-economic group with appropriate governance capacity;

(c) Compliance with principles of transparency, accountability, and value for money; and

(d) That Council approval is obtained where required under Municipal Disposal Policy thresholds.

15.10 All management agreements or market-related head leases shall be subject to annual performance reviews to assess compliance with agreed operational, financial, and governance standards. The review process shall:

(a) Establish key performance indicators for operational efficiency, financial management, service delivery and compliance with municipal regulations against which actual performance will be compared to identify areas of non-performance, non-compliance or governance concerns;

(b) Require the market entity to submit annual reports, financial statements, and evidence of operational performance; and

(c) Include site inspections, stakeholder consultations, and verification of compliance with agreed service standards.

15.11 The municipality retains the right to amend, suspend, or terminate the agreement in cases of sustained non-performance, regulatory non-compliance, or governance failures. Any action shall follow a formal process, including notice, opportunity to remedy, and reporting to the relevant municipal authority or council committee.

General considerations for market establishment

15.12 In relation to establishing new markets, the Municipality will:

(a) Identify municipal-owned land parcels and investigate the feasibility of establishing new markets on these sites;

(b) Consider recommendations from the public for the creation of new market sites;

(c) Consider including new markets and trading space as part of developing or upgrading municipal-owned public facing infrastructure such as transport interchanges, public facilities and public squares; and

(d) Consider the municipality own capacity to provide the required infrastructure and services as well as capacity to enforce relevant informal trading policy

15.13 The municipality will also consider the de-activation of market sites on municipal-owned land should they be found to be detrimental to the desired outcomes of this Policy (and other relevant municipal policies and by-laws) or should the municipality deem a market site not to be in the best interests of the community.

15.14 The municipality will maintain an up-to-date map with locations of all markets on its website.

15.15 The municipality will prioritise the **establishment, development and support of markets** based both on budgetary and resource capacity as well as the following criteria:

(a) Where there is potential to support urban regeneration and larger precinct level development and public space activation and where the municipality can leverage existing infrastructure and services;

(b) Where there are current markets held at events and areas or facilities which host markets held at events regularly and demonstrate potential for further growth;

(c) Where the current or prospective market may play a role in improving local food security as well as the larger food system including the provision of healthy, safe and nutritious food; and

(d) In areas which would benefit most from local job opportunities as well as potential to integrate with local supply chains and surrounding land use.

15.16 To support the development of a network of successful markets, the municipality will develop:

(a) **A long-term investment pipeline** to rollout new markets and maintain existing markets. This includes all public facing infrastructure which must consider the potential for market development; and

(b) An **internal capacity building programme** for the municipality to manage and support markets which is linked to larger precinct and urban management efforts.

16. MARKET MANAGEMENT AND MARKET DEVELOPMENT PLANS

Market management plans

16.1 Each market must have a market management plan, developed by the municipality, market entity or market operator as appropriate, to ensure the day-to-day operations of markets are effectively managed.

16.2 Market management plans will provide a framework for the municipality to, at local level, regulate and govern trading markets as engines of inclusive economic development.

16.3 Market management plans will set out clear governance and accountability mechanisms, ensure transparency, safety and essential services.

16.4 The market management plan will focus on day-to-day regulation and will promote fair trader management, operational efficiency and stakeholder collaboration, while embed risk management and continuously improving practices.

16.5 Clear roles and responsibilities for all affected stakeholders will be outlined in the Market Management Plans.

Market development plans (MDPs)

16.6 The municipality as custodian of municipal-owned land has a developmental role and should therefore play an active role in facilitating the development of an MDP for each market on municipal-owned land over time. The Market Development Plan will be forward looking and will guide growth, investment, and expansion of markets in line with broader city development goals

16.7 Each market, regardless of governance approach, requires an MDP to ensure successful management and development of the market. While the municipality may cluster markets and associated facilities together for management purposes, MDPs should still be produced for each market. Development of the MDP should be facilitated by the market manager (whether appointed by the municipality or a market operator).

16.8 The municipality will develop an MDP for each existing and new municipal-managed market.

MDP under the External Operator approach

16.9 For new markets, the MDP is to be submitted to the municipality for approval as part of the application process (see Clause 15.7).

16.10 For existing markets without MDPs, an MDP should be developed within timeframes as agreed with the municipality .

16.11 The market operator will be responsible for development of the market in accordance with the MDP. This includes management of the product and trader mix to ensure relevance to the target customers, eliminate illegal goods trading, and increase revenue.

Content of the MDP

16.12 The MDP will outline the ways in which a market will be developed over time into a more inclusive and cohesive public space managed under a business structure.

16.13 A MDP should be considered as a medium-term plan outlining at least the next three years of operations and annual updates should be provided to the municipality.

16.14 Each MDP should outline a series of performance indicators relevant to the specific market, which will form the basis of reporting to the municipality by the market operator.

16.15 Market activities forming part of the MDP could include additional activities (e.g. holiday markets), to draw additional footfall and increase awareness of the market which may be subject to the Municipal Events Policy, 2023. Market income and expenditure should be managed effectively to ensure that all financial responsibilities and reporting requirements are met.

16.16 Ideally an MDP should have the following elements noting that the municipality will develop guidelines and templates which will be available on its official website and on request through identified municipal offices:

(a) Identification and involvement of key stakeholders;

(b) An integrated vision for the specific market;

(c) A business model based on:

i. Identification of current and potential customers; and

ii. Consideration of the trader as well as product mix or diversity of products aimed at supporting the overall vision for the market and customer profile.

(d) Infrastructure and layout development plans and budgets;

(e) Operational and marketing plans and budgets;

(f) An integrated and agreed governance and management approach;

(g) A business structure supporting the vision, business model, operational and marketing plans and management model;

(h) (h) Operational and capital expenditure budgets; and

(i) Identification of potential investors (if applicable).

16.17 The MDP should be tailored according to the typology of market and complexity of the MDP will depend on the specific market's scale and size. The municipality may require additional information or reduce requirements depending on the specific market.

The following plans/elements are a requirement as part of the MDP and application process:

Element/section	*Description*
16.17.1 Site layout plans	Means a plan or map detailing the overall layout of the market site, that includes but not limited to (and if applicable): locations of trading sites, walking areas, entrances and exits, basic services, trading structures, ablution and storage facilities, entertainment areas including speaker locations if applicable, location of food traders, etc. Off-site services should also be indicated (e.g., including access to parking sites, ablution facilities etc.).
16.17.2 Fire, Safety and Security plan and approach	Means a plan that outlines how safety (including fire and security) will be addressed in and directly around the market site. This includes noting emergency access, exits and gathering points, fencing and other safety features etc. The market manager must undertake an overall contextual analysis of relevant safety and security risks in and around the market site. Additionally, a certificate should be obtained (and maintained) from the municipality's Fire and Rescue Department confirming that the market has undertaken the relevant fire safety checks and that these have been met with approval by the relevant authority.
16.17.3 Traffic (and Parking) management plan and approach	Means a plan or details that outline the traffic impact of the site including where customers and traders will park and how deliveries will be made. Additionally pedestrian and non-motorised transport access and safety should be considered inside as well as outside the facility.

16.17.4 Waste management plan and approach	Means a plan depicting how the market will ensure the self-containment and appropriate disposal of all waste generated by the trader/businesses, including that which is consumed by its clientele.
16.17.5 Temporary structure permissions (if applicable)	If temporary structures such as large tents will be set up by the market operator on site, details need to be provided.
16.17.6 Confirmation of public liability insurance (if applicable)	The applicant needs to outline the public liability insurance* that is or will be in place. This includes outlining relevant disclaimers and signage in the plan. **Public Liability Insurance protects the market operator and employees if they are found to be legally liable for third-party claims suffered by them in connection with your business or on the business premises. This may include injuries and loss of or damage to property.*
16.17.7 Outline of planned events	Noting permissions for such events occurs according to the Municipal Events Policy.
16.17.8 Outline of noise generation activities	The applicant needs to outline activities that result in an increase in noise (dBA or volume) levels in the surrounding community. This includes set up times, operating hours, any entertainment, etc.

17. POLICY DIRECTIVES

General directives

17.1 The Municipality supports the operation of sustainable markets within the municipality that reflect the lifestyle and cultural diversity of the area, enhance tourism and the social and economic well-being of city residents and visitors.

17.2 Each market should be managed with defined boundaries, a clear market operator and an operating budget. This will allow for focused operations, investment and development.

17.3 The potential exists for multiple markets in close proximity to be managed collectively, while ensuring that the individual markets maintain the agreed standards.

17.4 If a market is close to other public facilities and infrastructure, precinct level management arrangements must be considered. This may include sharing specific infrastructure and amenities or services as agreed by relevant parties (including public and private sector involvement as relevant).

Principles for Stakeholder Engagement

17.5 **Empowerment**: in recognition that the informal sector is often fragmented, a particular effort is to be developed by the municipality to support and nurture informal trader organisations and their ability to participate in management of applicable markets.

17.6 **Transparency**: make public information publicly accessible to market stakeholders online as well as at relevant municipality offices. This includes meeting minutes and invites, announcements and any other market-related information.

17.7 **Equity and Inclusion**: include all relevant stakeholders in policy and management of markets at the appropriate levels, with different degrees of engagement as appropriate. This includes encouraging diversity of representation on various platforms.

17.8 **Communication**: regular meetings with stakeholders, with draft meeting agenda forwarded to all stakeholders in advance, and meeting minutes circulated for all meetings. Communicating widely, utilising platforms that are accessible to all stakeholders.

Identification and assessment process for existing and new markets

17.9 The Municipality will undertake an assessment of all existing markets to determine their potential and the appropriate governance approach for the site (as outlined in Clause 13)

17.10 In addition to the Municipality identifying municipal -owned properties for new markets, the municipality encourages proactive identification of municipal -owned land and buildings for markets and will establish a mechanism through which such opportunities could be brought to its attention.

17.11 Persons wishing to propose a regular market on municipal-owned or municipal-managed property should complete an initial MDP identifying the property suggested for the market and outlining why it is proposed for a market.

17.12 When a market entity proposes a space for a new market, the market entity does not automatically assume the role of a market operator. The appointment of the market operator or market entity must still go through the relevant legal processes.

17.13 The department responsible for inclusive economic development will assess the proposal against factors outlined in Clauses 9 and 13 among other factors in the first round of consideration. This assessment will include determining which department will be accountable for the site and confirming if the land is available to develop a market.

17.14 Should the proposal meet the criteria in the first round of considerations, it will then be tabled to a municipality committee convened by the Economic Development Directorate (with representation of relevant departments) which will determine whether further investigation into the feasibility of the market should commence.

17.15 Following the recommendations from the committee, either a suggestion will be rejected or approved by the relevant Director and may include further investigations by the municipality to determine the feasibility of the proposed market(s) in the identified space(s).

17.16 Should the proposed market be found sustainable and viable by the relevant Director, the municipality will conduct appropriate public participation to determine the desirability of a market in the proposed space.

17.17 If the municipality is satisfied that the market is generally supported by the relevant community, it will determine the appropriate governance approach for the site. Thereafter, the market will be established following the provisions outlined in Clause 15.

Application process for existing and new markets

17.18 Where the municipality identifies markets that could be run by an external operator or market entity and these markets are located on municipal -owned property, the municipality may, from time to time and through relevant processes, advertise to attract market operators or market entities for one or more market sites.

17.19 Interested parties will be expected to complete an application form, which includes the submission of a draft MDP, to apply for the market operator position or to co-manage the market as a market entity.

17.20 If the application is successful, the applicant may be required to enter an appropriate written agreement with the municipality outlining the rights and responsibilities of the market operator or market entity, and the support to be provided by the municipality. This may include relevant competitive processes and regulatory requirements related to immovable assets of the Municipality.

17.21 When current agreements or leases lapse, standard legal processes must be followed. Interested parties will be expected to complete an application form to apply for the market operator or market entity position accompanied by a proposition of how the interested party envisions to make the market(s) successful.

Process for the appointment of market operators (External operator approach)

17.22 The successful applicant will be appointed as the market operator with the responsibility to manage the market.

17.23 In the appointment of market operators, appropriate consideration will be given to:

(a) Leveraging relationships with the municipal existing area-based strategic partners in the relevant area;

(b) Engagement and buy-in from local community stakeholders with regards to the overall design and vision for the market that includes how the market fits into the larger community's character (including heritage and cultural aspects);

(c) Commitments from market operators to manage markets in an environmentally sustainable manner (e.g. by promoting environmentally friendly packaging and bagging, responsible waste management and recycling);

(d) Commitments from market operators to encourage the sale of locally designed, produced and manufactured goods;

(e) Commitments from market operators to encourage and promote participation by local producers who wish to sell local farm produce and food products;

(f) Commitments from market operators to support the entrepreneurial development of the traders in the markets for which they are responsible;

(g) For markets where food is sold, commitments from market operators to ensure that all food traders have the required health certification in place before they allow them to operate at the market; and

(h) For markets where food is sold, commitments from market operators to encourage a mix of food traders to offer clients healthy eating choices.

Roles and responsibilities of market operators

17.24 Market operators will assume responsibility for:

(a) Appointing a market manager;

(b) An open, transparent and fair process to attract and recruit traders to trade at the market;

(c) Entering into formal written agreements with all traders outlining the rights and responsibilities of both the market operator and the trader;

(d) Maintaining relevant health and safety standards as required by relevant legislation, municipality's policies and by-laws and allowing authorised officials to conduct required assessments;

(e) Ensuring adequate financial management of the market;

(f) Obtaining and maintaining public liability insurance;

(g) Maintaining safety and security at the site and developing a safety plan where applicable;

(h) Cleaning and maintenance of the site and related facilities (such as ablution facilities) and developing a waste management plan where applicable;

(i) Ensuring minimum disruption of traffic and development of traffic management plans where applicable. This includes consideration of parking and access for non-motorised and public transport modes;

(j) Ensuring the management of noise and air pollution from the site and development of noise management plans where applicable; and

(k) All relevant 'objectives/commitments' as outlined in the MDP as well as any other legal requirements and agreements with the municipality.

17.25 Within 12 months of commencing operations at a particular market, market operators must provide the municipality with annual financial reports detailing the number and type of stalls, fees collected, site maintenance performed and any donations made or benefits accrued to non-profit organisations within the local community.

17.26 The market operator for each market should develop the vision and market theme, criteria for traders, a database and the MDP which should be submitted to the municipality.

17.27 Depending on the terms of head lease or management agreement, the market operator may invest in supportive infrastructure.

Process for appointment of market entities (Hybrid approach)

17.28 Market entities are appointed to co-manage markets under the Hybrid approach.

17.29 The municipality will advertise opportunities for market entities to manage markets, as per legal requirements. Once the relevant supply chain management process has been concluded, the municipality will follow the applicable procedures under the MATR to formalise the management agreement.

17.30 To qualify for a management agreement, the market entity must demonstrate operational readiness, institutional capacity, and transparent internal governance. It must also show a clear commitment to complying with the municipality's Informal Trading Policy, and all applicable regulatory requirements.

17.31 Prior to finalising any agreement, the municipality will assess the market entity's operational readiness, internal governance structures, and policy compliance. Where gaps are identified, the trader group will be enrolled in the Market Incubation Programme (see Clause 14.12), which provides structured support through training, mentorship, and technical assistance.

17.32 This model is best suited to well-organised markets with strong trader cohesion, proven capacity, and a demonstrated commitment to collaborative market governance.

Roles and responsibilities of market entities

17.33 Day-to-day operations and management responsibilities are delegated to a formally recognised market entity through a legally binding management agreement. This agreement defines the roles, responsibilities, obligations, and performance expectations of the market entity.

17.34 The operations delegated to the market entity will be determined based on the operational readiness of the market entity and will be outlined in the management agreement. As the market entity matures, the municipality may opt to delegate additional operations to the market entity.

17.35 In cases where the market entity and the market do not perform well, the municipality may terminate the agreement, subject to a reasonable notice period and in line with the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000).

Roles and responsibilities of the Municipality

17.36 The Municipality will identity and map all markets, including capturing characteristics and attributes of markets and the surrounding environment, that operate on municipal -owned land and maintain such a database for management, oversight and possible marketing purposes.

17.37 The municipality may provide a dedicated intermediary between market operators or market entities and the municipality to be the liaison between the two parties while simultaneously fulfilling the role of monitoring and evaluating the market.

17.38 The municipality will inform existing traders operating in markets about the changes in the municipality's approach to a specific market and will provide reasonable notice to traders to align with the provisions of this Policy.

17.39 Where markets operate on municipal property, the municipality may invest in appropriate supportive infrastructure in line with its long-term market pipeline subject to available capital budget, Council approval and case-by-case necessity, in line with relevant norms and standards. The municipality may also partner with the private sector or other community organisations in providing such infrastructure abiding by relevant supply chain processes.

17.40 In the case of Hybrid and municipal-managed markets, the municipality will retain full authority over land use, infrastructure upgrades, and long-term development planning.

17.41 In the case of municipal-managed markets, the municipality will be responsible for all aspects related to management of the market and its day-to-day operations. In some cases, the municipality may appoint a service provider, through a formal Service Level Agreement (SLA). The service provider will be responsible for some or all routine functions of the market, while the municipality will retain full governance authority and strategic control. The municipality will monitor the performance of the service provider against the obligations and performance indicators defined in the SLA. In cases of non-performance, breach of contract, or mismanagement, the municipality reserves the right to impose penalties or terminate the agreement.

17.42 The Municipality will secure capital and operational budget allocations through the Municipality's annual budgeting process to support infrastructure development, management resources, and ongoing service delivery.

17.43 The municipality will develop criteria to assess the performance of markets. This set of criteria will be included in the agreements with market operators and market entities and will be used to review the performance of markets, at appropriate times, to ensure their sustainability and viability.

17.44 Noting that various internal departments are involved in supporting and developing successful public spaces including markets, the municipality will establish clear operational standards, transversal arrangements and accountability for municipality operations.

17.45 All markets will be subject to regular inspections at least once per month by authorised officials to ensure compliance with the provisions of this Policy, the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and other relevant legal and policy frameworks.

17.46 The relevant stakeholders and the surrounding communities should be consulted as per required public participation processes in relation to markets on municipal-owned property. Market operators and market entities are encouraged to engage with relevant stakeholders as part of the application process and operations to continually understand their needs.

17.47 The municipality may establish forums, committees or boards featuring internal and external stakeholders including relevant internal departments, market operators, experts and academics. This platform can test new market ideas, attract new traders and trades to the sector, mainstream sustainability and circular economy principles and explore tools and data to maximise the impact of markets on the local economy.

17.48 To support the contribution of markets, the municipality will:

(a) Conclude the appointment of market operators in a speedy and efficient manner;

(b) Improve efficiency of permitting and licencing where applicable;

(c) Ensure that traders are informed about the municipality's and partners' programmes in support of small businesses;

(d) Develop with market operators, market entities and partners a market management and manager training programme to continually improve operations;

(e) Develop appropriate guidelines and templates to support market management; and

(f) Provide market operators with economic research intelligence (when applicable and available).

Roles and responsibilities of the market manager

17.49 To ensure a focused and coordinated approach to the management of market spaces, the municipality will endeavour to appoint a market manager to manage each municipal-managed and Hybrid market operating on municipal-owned and municipal-managed property. Market operators will be responsible for appointing a suitable market manager in the case of externally operated markets.

17.50 In the case of smaller markets that are in close proximity, they could be managed together through a relevant market management approach which could be part of a larger precinct level approach, but key roles should still be fulfilled as outlined below.

17.51 The market manager typically coordinates and manages day-to-day operations at a market. To ensure effective management, the roles and responsibilities for any market manager, whether appointed by the municipality or third party, is required. The seniority and experience required of the market manager will depend on the complexity and size of the specific market although the municipality will endeavour to rollout training programmes as noted previously.

17.52 The duties of a market manager can be divided into the following categories:

(a) Management of daily operations;

(b) Facilitating the development of the market as a business;

(c) Facilitation of trader management, training and development including aspects of improving food safety, waste management etc.;

(d) Facilities management;

(e) Marketing and branding of market; and

(f) Stakeholder management.

Management of daily operations

17.53 The assessment of specific aspects is needed to make operational decisions. These include but not limited to:

(a) Overall environmental conditions;

(b) The number and details of permanent traders present;

(c) Adherence to operating times and setup rules;

(d) Noise levels and other problem issues;

(e) The applications/registrations of traders;

(f) Checking and vetting of the traders and product mix;

(g) Suitable ablution facilities (on or off-site but should be easily accessible by customers and traders);

(h) Suitable and safe storage spaces (on or off-site but should be easily accessible by traders);

(i) Recording of the location, size and cost of external storage and parking (not provided by the market or onsite); and

(j) Checking of infrastructure (e.g. stall structures).

17.54 The market manager must consider relevant emergency services, health and safety, and traffic management as per the relevant municipal by-laws. This may include relevant access and arrangements in case of emergency situations.

17.55 The market manager needs to draft and implement market rules, regulations, standards and procedures in consultation with the key stakeholders.

17.56 The market manager should stabilise the market operations, and record statistics relevant to the market. Such information should include busiest times (daily and seasonal), stall and storage infrastructure, financials, weather conditions, products etc. This will assist with continuous and future planning for the improvement of the market.

17.57 The market manager must provide access to authorised officials for enforcement and compliance matters as it relates to informal trade and other legislation and by-laws. The market manager must alert authorised officials if they observe municipal by-law infringements.

Facilitating the development of the market as a business

17.58 The market operator will be responsible for development of the market as a business in accordance with the MDP. This includes the management of the product and trader mix to ensure relevance to the target customers, eliminating illegal goods trading, and increasing revenue.

17.59 Market activities can include additional events (e.g. holiday markets or music festivals), to draw additional feet and increase awareness of the market subject to the Municipal Events Policy, 2023 where applicable. It should be kept in mind that currently, events are managed separately by the municipality therefore they will need to play a regulatory and oversight role.

17.60 The market manager may be responsible for marketing and advertising of the market. This could be done via tourism outlets, community newspapers and radio, the internet and social media, word-of-mouth, competitions and others. The Municipality can also advertise the markets through its official website.

Facilitate trader management, training and development

17.61 The management of traders should include screening, checking allocation of spaces, settling of disputes and allowing the monitoring of compliance of municipality rules and regulations by authorised officials.

17.62 The market manager should facilitate training opportunities and initiatives (e.g. business skills development, customer relations) including support services such as those provided by the municipality.

Facilities management

17.63 The market manager should be responsible for general maintenance and cleaning of infrastructure including hard surfaces, ablution facilities, lighting, buildings, furniture among other services as agreed with the Municipality and according to municipality required standards. The market manager should ensure that traders understand the importance of cleaning and maintenance of infrastructure in terms of customer experience and the standards of the market. The manager should also coordinate and manage the provision of services of relevant service providers.

Stakeholder management

17.64 The market manager should identify key stakeholders around and related to the market and build good relationships with them. Stakeholders could include traders and traders' associations, rate payers/civic organisations, churches, schools, businesses/business chambers, municipality lead departments and others.

17.65 The market manager should create and maintain appropriate forums for communication with stakeholders and the broader community. For example,

management feedback meetings with the municipality should not include other parties. Different communication forums should apply to other stakeholder groups such as trader associations.

Establishment of Market Committees

17.66 For the municipal-managed and Hybrid approach, the municipality should establish market committees over time for each market for consultation, recommendations and input into trading plans and other matters, trading management and monitoring, as well as resolution of issues that arise, relating to local market issues.

17.67 The municipality may establish market committees comprising external stakeholders to adjudicate applicants and provide oversight to market operators.

17.68 The municipality will introduce structured programmes to equip committee members with the required skills to improve market operations. This includes supporting trader and community-led markets over time.

17.69 The market committee should ideally comprise municipal officials, traders and affected business and civil society organisations (that may include local civics and residents' associations).

(a) The market committee is to be chaired by a relevant municipal official, with the purpose of ensuring integration, conflict resolution, encounters and debates, daily administration etc.

(b) Interested and affected non-governmental organisations and community-based organisations can be added to the committee subject to the approval of the chairperson.

(c) Traders shall elect or appoint their representatives to represent them in this committee. The names of representatives shall be communicated to the committee with relevant evidence of meeting minutes and resolution on their appointment.

(d) The structure of the market committees should guarantee a strong voice for trader representation, which must constitute no less than 40% of the members of the committee.

(e) The market committee should meet at least once a month, with meetings planned in advance. The agenda for the meeting and minutes of the previous meeting shall be communicated by the chairperson to all members of the committee at least one week prior to the date of the meeting.

Roles and responsibilities of Market Committees

17.70 Monitor and frame the conduct of informal traders' surveys and keep the latest record of the trading dynamics, to ensure compliance with the informal trading policy and the trading plan.

17.71 The committee can make recommendations to the municipality for defining the trading plan as it relates to the market and surrounds (determining trading areas, restricted trading areas and associated amenities).

17.72 The committee can make recommendations to the municipality about the 'holding capacity' of each trading area – determining the maximum number of traders to be accommodated in each market.

17.73 If there are more traders than 'holding capacity' of an existing market, or if there are new entrants into the market, the committee can make recommendations about the designation of new trading and demarcated trading sites.

17.74 The committee utilises a register to monitor attendance by traders and to resolve attendance issues. The committee must alert authorised officials if they observe municipal by-law infringements.

17.75 Specific roles can be assigned to committee members to focus on aspects of the market including marketing, healthy and safe food provision and other operational matters. The committee can also have working groups on matters including, but not limited to, conflict mediation, operations stabilisation, market planning and visioning, market rules and procedures amongst others.

17.76 The committee should ideally act as a platform to resolve disputes between traders and traders' organisations relating to the operations of the market.

17.77 The committee shall make recommendations in terms of the product mix viable for the market.

17.78 The committee shall listen to and attempt to resolve issues related to infrastructure and services provided to the market.

17.79 The committee should decide matters that need to be escalated to Area and municipal wide committee meetings (and relevant municipal departments as applicable).

17.80 Through the chairperson, the committee can invite service providers or officials from line departments to discuss service-related issues, including finding local solutions.

Rules pertaining to markets

17.81 The following rules should be noted in any contract or agreement between the municipality and a market operator or market entity.

Required permissions/ plans

17.82 The permissions/ plans required by different market typologies are summarised in Section 16 and are subject to all other relevant municipality permissions and permits that are required by other municipal policies.

General rules

17.83 All traders, including food traders must comply with all applicable municipal policies and all other applicable laws.

17.84 The market operator (or their designated agent) or market entity should ensure that the market and traders operate in compliance with current business, trading, signage, heritage, health and safety, food and other relevant legislation should ensure that market management plans are implemented.

Rules for Food Markets

(a) All stallholders must label their produce or include signage at their stall to indicate the location of the farm/area where the produce was grown or sourced[4].

Fees and Tariff guidelines

Management agreements and head leases

17.86 Depending on the governance approach and specific written agreement, relevant fees and remuneration between the municiplaity, external operator, market entity and service provider may be applicable. This will be determined through Council-approved tariffs for municipal-managed and Hybrid markets and will be based on market value for operators and market entities.

17.87 Head lease or management agreements with market operators (under the external operator model) will be market-related and fees shall be applicable to market operators.

Allocation of trader bays and tariffs

17.88 The municipality will establish and hold contractual relationships with traders through permits under the municipal-managed and Hybrid approaches:

[4] The Foodstuffs, Cosmetics and Disinfectants Amendment Act 1972 (Act No. 54 of 1972) Regulation 146 relating to the labelling and advertising of food.

(a) The Municipality will allocate trading bays in accordance with the Council-approved Trading Plan for the market.

(b) Trading permits will be issued via the municipality's Informal Trading Permit System. The municipality has the authority to approve, issue, suspend, or revoke permits.

(c) Market entities (under the Hybrid approach) will under no circumstances be allowed to recruit or select traders for market participation. Such traders must apply via the municipality's Informal Trading Permit System. This excludes market operators who hold a head lease or management

agreement with the municipality under the External operator approach who must directly recruit traders.

(d) All tariffs and permit costs as it relates to informal traders that trade at designated markets are determined by the municipal Tariff Policy and reviewed annually as part of the budget process.

(e) In the case where a service provider is involved in market operations, the service provider will not be permitted to collect or handle any trader tariff payments.

(f) A centralised database of market traders will be maintained by the Municipality to track allocations, permit holders, and trading bay utilisation.

17.89 The market operator is responsible for the contractual relationship with traders under the External Operator approach:

(a) All tariffs and permit costs as it relates to informal traders that trade at external operator-run markets may be set by the market operator.

(b) The market operator is responsible for allocating trading bays.

17.90 Irrespective of the selected governance option, double payment by traders must not be allowed. This means that any applicable fee, lease or other payment by traders should either be to the Municipality or an external operator, not both.

Guidelines for setting tariffs

17.91 Tariff fees are guided by trading patterns and various criteria that identify a type of trading area. For example, an area of high pedestrian turnover, covered roof, and presence of facilities would generate a higher cost than an area offering less. Seasonal patterns will also impact the frequency of trading. For instance, winter or inclement weather might reduce the number of days or hours that the trader is able to trade.

17.92 Services provided by the market operator or municipality should also be taken into consideration (e.g. extra security, cleaning or provision of stall infrastructure).

18. IMPLEMENTATION PROGRAMME

18.1 This Policy will be implemented transversally by all departments across the municipality and in partnership with other spheres of government as well as community-based organisations, where applicable.

18.2 The Municipality department and directorate responsible for inclusive economic development will work with relevant departments to plan for and improve conditions of markets. This includes proactively arranging for scheduled monitoring of conditions, compliance and enforcement of relevant legislation and Municipality policies.

18.3 Details on the responsibility for various policy directives and the timeframes for implementation will be summarised in an internal implementation plan as well as administrative SOPs as required.

18.4 Due to the current state of markets, it will be necessary to stabilise operations, gather sufficient data about specific markets and build good stakeholder relationships before the establishment of long-term management models. A phased market management and development approach is therefore recommended:

(a) **Phase 1 Transition/Incubation Phase**: Three to four years to implement management agreements with market managers and operators to stabilise markets, develop long-term governance models, and draft MDPs aimed at long-term sustainability. The Municipality should drive the development of MDPs for each market. An integral part of the plan should be the development of an integrated management model for the market that has been negotiated and agreed with key stakeholders. Training and development of operators and traders should be included in this phase. This phase will also focus on building market management capacity in the Municipality as well as for market operators and market managers. This initial period will be dedicated to testing new approaches and governance models and selecting pilot market sites where applicable.

(b) **Phase 2 Matured Market Management**: This is the medium- to long term implementation of MDPs and agreed management model for each market (including periodic reviews). The MDP and applicable management model should be implemented, and each market developed as an independent business entity. This phased development model should result in well-run markets that benefit all users and enable the Municipality to gradually reduce its direct involvement in markets over time.

19. MONITORING, EVALUATION AND REVIEW

19.1 Appropriate performance criteria in relation to this Policy will be developed and reported on as part of continued market management. This forms part of the monitoring and evaluation approach to measure the impact of markets on creating economic opportunities, empowering communities and people, and improving places through physical improvements to the urban environment.

19.2 Evidence for performance of markets will be collected in collaboration between market operators and the municipality (as appropriate) and may include:

(a) For individual markets (among other factors):

i. Footfall counts;

ii. Data and analysis regarding customer preferences and buying patterns;

iii. Number of stalls or trading opportunities (vacancies, types etc.); iv. Trader income and turnover;

v. Trader feedback;

vi. Customer demand, which includes regular trader and customer satisfaction feedback;

vii. Types of goods and services offered, including whether it is locally produced, diversity of food offerings, including healthy and affordable options;

viii. Number of jobs created and residents employed;

ix. Assessment of Municipality and market operator investment in the market including value for money; and

x. Infrastructure, basic services and waste management status including needs and challenges.

(b) Overall, for all markets across the Municipality:

i. Total number of markets operating including location, management approach and market type;

ii. Spatial analysis of current markets such as distance to other markets (public and private), public facilities, transport access, availability of fresh and healthy food, among other factors;

iii. Total trading opportunities created through markets by location;

iv. Overview of applications, their locations as well as rejections and approvals of new market sites;

v. Aggregate challenges and opportunities faced with current and proposed markets; and

vi. Average length of time to establish a new market as well as time to appoint service providers or market operators if applicable.

19.3 The Municipality's department and directorate responsible for inclusive economic development will periodically report to the relevant Portfolio Committee and administrative leadership on the implementation of this Policy, utilising evidence as outlined above. This will include regular release of public reports or dashboards to improve accountability and show progress and challenges across the Municipality.

19.4 This Policy will be reviewed within five years of its approval by Council or as required, in consultation with relevant political leadership.