

Table 1: Key roles

Programme Board	Melton Borough Council Programme Board will monitor and help steer the project issues will be escalated here. Highlight reports to be submitted monthly.
Project Sponsor	The Strategic Director (CAM) is accountable for the success of the project. She supports the Project Manager, in decision making, escalation of issues to Programme Board, and to represent the project as part of Programme Board discussions.
Project Manager	The Corporate Property Officer as Project Manager is responsible for the day to day management of the project.
Project Team	The project team report to the Project Manager and have specific roles as to why they are part of that team

APPENDIX B1.1 Project Documentation

Melton Cattle Market Phase 1 – Securing the Future

Incorporating business case, project brief and project management document for Phase 1

Part A – Document Control

Part B – Business Case, Project Background and technical issues

Part C – Project Brief

Part D – Project Management Document

Version no: 5

Date: 17th November 2014

Part A - Document Control

A 1 - Key personnel

Title	Project Initiation Document
Author	David Blanchard & Maria Ramshaw
Approver	Christine Marshall
Owner	David Blanchard
A 2 - Project Organisation Structure	
The main roles and responsibilities will include:	
Project Sponsor: Christine Marshall	
Project Manager: David Blanchard	
Project Property and Commercial: Jane Galilee	
Project Finance, Funding Gaps and Risk Monitoring: David Scott	
Project Grants, Training and Local Economy: Maria Ramshaw	
Above to attend all meetings, below will support project as required.	
Procurement Strategy: Tony Hall	
Legal Support Internal: Verina Wenham	
Grant funding support & concept development for Phase 2: Sarah Stannage	

A 3 - Version history

Version	Date	Summary of changes	Changes marked
Version 2	5/6/14	DG changes	No
Version 3 (1)	13/10/14	DB update	No
Version 4	12/11/14	Finances & meetings	No
Version 5	17/11/14	Remove the business case & refer to Amion report Phase 1; Business case supporting document	No

A 4 - Distribution

Name	Area
Carolyn Appleby	Programme Board/Management Team

A 5 - References

Doc reference	Document title
LLEP funding application	Grant funding application for Phase 1 sent to LLEP on 6/11/14
Amion supporting document	Business Case Supporting Statement sent to LLEP on 19/11/14
Ad hoc REEA report	Cattle market Update: Phase 1 –Securing the Future 27/11/14 –To approve business case & funds

Part B – Business Case, Project Background / technical issues

B 1 - General

The Cattle Market is an important and high profile asset that contributes to the local economy and is owned by Melton Borough Council either freehold or long leasehold – The Town Estate own freehold (part). Members were given a presentation in June 2013 identifying the need to re-generate and re-configure the Cattle Market. A number of studies have been undertaken to assess demand and specification for a Food Enterprise Centre/Rural Food and Economic Hub and the Cattle Market has been identified as the preferred and ideal location for this type of development.

Grant applications have been made to the Leicester and Leicestershire Enterprise Partnership (LLEP) for revenue and capital funding to support the project. The project is dependent on obtaining some external funding to support MBC contribution. Members have approved the project objectives, Mandate and an initial budget to progress feasibility studies at a meeting of REEA on 5th March 2014. The LLEP is keen to work on deliverable projects and therefore timing is an important aspect of the project, as well as accurate budgeting.

The project has been split into two phases. Specialist agricultural architect Adrian Jones was jointly procured with the Market Partners to draw up an initial scheme for the Livestock Market, Phase 1 he is now engaged by contractors Morgan Sindall undertaking the feasibility works for Phase 1.

The strategy and overall project objective is to deliver Phases 1 & 2 and in doing so enhance Melton Livestock Market as a destination and hub of food, drink and associated economic/cottage industries.

This business case is Phase 1 only although may refer to Phase 2.

- For Business case please refer to attached document :
Phase 1: Business case Supporting Statement by Amion Consulting
November 2014.

B 2 –Service / Service / Function

The Cattle Market site has an important economic role in the Borough and region, for employment and local tourism, as a visitor attraction and to support Melton Mowbray's brand of the 'Rural Capital of Food'. The project has strong links with several of the Council Corporate Priorities, including improving places within the Borough, supporting people and businesses through the economic downturn and maximising the potential of the Town Centre and meeting the economic needs of the Borough.

A Phase 2 creation of a food, drink and rural economy related hub would generate more jobs and support graduates and SMEs.

B 3 – Strategic fit

Refer to 2.1 (Page 8) of supporting document by Amion

B 4 - Options appraisal

Refer to Table on Page 17 of supporting document by Amion

B 5 - Achievability

Project team in place, consultants and contractors are appointed and funding application submitted. Phase 1 of the project can be delivered on time and within budget providing the grant funding is forthcoming and project risks are managed appropriately.

B 6 - Legal Issues

Legal advice on Town Estate lease is being re-visited to ensure that all documentation was made available to Counsel when the advice was given.
Legal advisors will be required for appointment of consultants, warranties and novation.
The terms for Exhibition Hall and Tavern have been changed and these need to be formally documented.
Advice has been obtained on the status of the occupiers of the trade units, lease /licence etc
State Aid advice has been received in relation to the market operators.

B 7 Specification

Specifications for Livestock buildings have been drawn up based on a similar scheme at Raglan.

B 8 - Financial Implications

The gross capital sum required is £5.5m. The proposed funding allocation for this will be £3.5m from the LLEP and £2m from Capital Receipts.

<i>Phasing</i>	<i>LLEP</i>	<i>MBC</i>	<i>Total</i>
<i>2015/16</i>	<i>£3.500m</i>	<i>£0.000m</i>	<i>£3.500m</i>
<i>2016/17</i>	<i>£0.000m</i>	<i>£2.000m</i>	<i>£2.000m</i>
<i>Total</i>	<i>£3.500m</i>	<i>£2.000m</i>	<i>£5.500m</i>

In addition to the capital sum outlined above a further £200k funding is required to progress the project to reach planning application stage. The overall cost for this phase is estimated to be £300k of which MBC has already secured £50k from the LEP Growing Place fund and members have already committed £50k to this project. Officers are also seeking further grant funding from the LLEP which if successful would reduce the £200k required.

B 9 – Project Scoring Matrix

<i>Scoring – for your project – calculate the points</i>				
<u>Criteria</u>	<u>1 Point</u>	<u>2 Points</u>	<u>3 Points</u>	<u>Project score</u>
Cost £ (budget, time and human resource)	<£10k	£10k - £50K	>£50K	3
Timescale	< 6 months	6 – 12 months	> 12 months	3
Impact if project failed on the organisation	Minor disruption	Moderate	Major	3
Melton's Track Record	Done Successfully Many Times Before	Done Successfully Once or Twice Before	New Area of Working	2
Stakeholder Interest (internal and external)	Minimal	Moderate	Major	3
Project Complexity	Straight-forward	Moderately Complex	Highly Complex	2

Total score: 16 points

Note

The business case must be submitted initially to the Programme Board and will allow schemes to be prioritised and feasibility to be assessed.

Part C – Project Brief

The Project Brief sets out the direction, scope and objectives of the project and forms essentially the “contract” between the Project Sponsor and Project Manager as to what will need to be delivered.

C 1 - Project Objectives, outcomes and benefits

CATTLE MARKET – PROJECT OBJECTIVES

1. Project objectives agreed by Members at REEA

1. Livestock Market
 - a. Changes to enable the Livestock Market to remain a successful and viable business in its current town centre location.
 - b. New facilities to improve the Livestock Market operational management and facilities and rationalise space.
 - c. If possible, provide Multi Use Space for days not required by the Livestock Market.
2. Remaining Site
 - a. To develop the Remaining Site to encourage intensified use of the site for various purposes which could include;
 - i. a sustainable Food Drink and Rural Economy Hub on site that provides a location for networking & supporting new & existing business.
 - ii. Improve existing uses – Indoor market, food hall, auctions etc
 - iii. Car parking
 - iv. Other potential uses eg Micro Brewery
 - v. Multi use space
3. To develop cross over facilities between the Livestock Market and Remaining Site which could include;
 - a. Fur and Feather in a multi use space
 - b. Toilet facilities
 - c. Catering facilities
 - d. Entertainment/function rooms
 - e. Exhibition space.
4. Cross cutting
Increasing opportunities for employment and enterprise growth.
5. Other objectives
 - Enhance Melton as “Rural Capital of Food” and a tourist destination and to promote the town through local and National press releases, case studies

and promotions.

- To increase vitality and viability of Melton Mowbray town centre by increasing visitor numbers to the town and visitor numbers to the market
- To improve customer access and experience at the Livestock Market and the adjacent business and facilities within the remaining Site.
- To maintain and grow the income for the Council across the whole site, both in the future and during the development period, preferably revenue income.
- At each stage to have consulted with potential Partners which could include the following in relation to the FEC and training/learning possibilities: PERA, Brooksby College, Me & My Learning, current operators.

Phase 2 -

CATTLE MARKET – PROJECT OUTCOMES

The Phased investment in the site will extend asset life for 20 years and encourage multiple use per week; other outcomes:

- Reconfigure Livestock Market onto operationally compact site.
- Safeguarding use for Town Centre viability.
- Employment opportunity for linked trades, retailers, suppliers.
- Short stay car park serving the food market and Town Centre.
- Consolidate Melton Mowbray as the Food Capital of England strengthening the Brand and the local economy.
- Increase footfall at the Market and in the Town.
- Offer up “ Opportunity Site” start up business opportunities and employment.
- Improve traffic flow and safety at the Market.
- Free up development site to North of cattle market adjacent to The Crescent

Part D – Project Management

D 1- Key Business Risks/Contingency Plans/Exit Strategy

The key risk for this project is that it is largely dependent upon obtaining LLEP grant funding with substantial capital sums involved. The project team do not have control over the grant funding decision making process time will be invested to ensure that we fully understand what the funding bodies are looking for.

The project team will need to have a contingency plan for how to proceed if grant funding is not awarded to this project. As a Landlord works will be required to the buildings currently used by the Livestock Market to ensure they are safe and suitable for the next lease period. It is unlikely that the MMMP's would commit to any longer length of lease or wish to invest in a business which has no life beyond the period offered.

The second main risk is the commercial negotiations with the Cattle Market Partners, the negotiations for the last agreement involved external advisors –

accountants with experience of dealing with livestock market accounts. The accounting and profitability of the livestock auctioneers business is not straightforward, commissions, provision for bad debt and variable market conditions make negotiations quite complex. The share of risk between the Council and the Partners needs to be understood. Bruton Knowles have been appointed to undertake and advise the Council on all aspects of the lease negotiations.

D 2 - Key Stakeholders

This section should identify the key stakeholders, both internal and external to Melton Borough Council, for example:

External Stakeholders

General Public – The Cattle Market is a key asset for the Town and regular communications will be required to keep customers informed and to invite views from the public. Consider website content and also “ frequently answered questions”.

The Media – The project, once implemented should result in positive media attention, the message we need to issue is benefits for local economy and enhancing the reputation of the town as Rural Food Capital of England.

Cattle Market Partners - Key stakeholders, will be responsible for running the livestock market for the future and need to ensure business plan is well considered and deliverable.

Traders and Local Business Users - Traders, sellers and buyers are vital to the ongoing success of the market.

Town Estate – Freehold owners of part of site.

Housing and Communities Agency – Inheriting EMDA interest in redevelopment of the site and the abattoir grant.

NFU/CLA

Internal Stakeholders

Cattle Market working group – Members & officers

Finance – Deputy s151 officer is part of the project team.

Planning - Both phases of the project will require planning permission.

Highways – Could be one of the more complex aspects of the scheme.

Legal – Town Estate will need to be kept informed of developments and Partners will need to advise on regulatory bodies that will either be directly or indirectly affected and what form of communication / consultation is required.

Welland Procurement – Supporting procurement for the project

D 3 - Communication Plan

The Project Manager has a draft communication plan and this is available upon request.

The project team proposes to communicate and report progress of the scheme to the Project Sponsor at regular fortnightly project meetings when all core project members will be invited to attend.

Monthly Highlight reports will be submitted to Programme Board – i.e. ad hoc meetings will be called for the project team with consultants and external stakeholders.

An external project manager has been appointed.

All project documentation is saved on the Q drive/ Council Property/ Cattle Market and all project members store documents on this drive to ensure access for all.

The Communications Plan can be changed with Directives from the Programme Board.

D 4 - Project Controls

Quality Control

Using MBC project management control mechanisms, monthly highlight reports to programme board and regular reporting to Committees as necessary.

Risk monitoring takes place fortnightly when risks are reviewed by the internal project team.

Key Controls for Project Closure

An end of project report will be submitted to identify when the project will be closed.

The Programme Board should control Closure and confirm in writing its acceptance that the project has been completed in line with the initial PID approval.

Appendix B2, – Standard Risk Management Template

Project Name: Cattle Market re-development
Updated: Nov 2014

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11
Risk No.	Grade [red, amber, green]	Risk Owner	Cause	Potential Consequences	Current Score	Original Score	Movement [↔,↑,↓]	Current controls [working]	Adequacy of mitigation measures	Planned actions (For key risks only)
1		DB	Negotiations with Partners do not reach successful conclusion	<ul style="list-style-type: none"> Livestock market auctioneers need to be found 	6			<ul style="list-style-type: none"> Regular meetings set up Parameters agreed by project team Consultants appointed 	Adequate	
2		JG	Legal advice on Town Estate agreement changes with more information	<ul style="list-style-type: none"> Town Estate have influence on proposals and financial implications 	6			<ul style="list-style-type: none"> Legal advice being sought Regularly communication 	Good	
3		JG	Legal advice on trade units status	<ul style="list-style-type: none"> Compensation payable for re-development & scheme delay 	6			<ul style="list-style-type: none"> Legal advice received 	Good	

4		DB	Survey data identifies unknown restrictions / pollution which impacts on development	<ul style="list-style-type: none"> • Development plans have to be altered • Additional financial cost 	9			<ul style="list-style-type: none"> • Legal analysis • Project Manager appointed and surveys undertaken 	Good	
5		DB	Specification not fit for purpose / not sufficiently detailed	<ul style="list-style-type: none"> • Additional financial cost • Project delays 	6			<ul style="list-style-type: none"> • Use of experienced architects • Detailed / high quality specification 	Good	
6		DB	Planning applications aren't successful	<ul style="list-style-type: none"> • Project design has be altered • Project delayed 	9			<ul style="list-style-type: none"> • Use of experienced architects • Seek pre-planning advice 	Good	
7		DB	Statutory authorities (utilities) delay project implementation	<ul style="list-style-type: none"> • Project delayed 	9	12	↓	<ul style="list-style-type: none"> • Ensure project manager liaises with statutory companies • Site searches 	Adequate	

								<ul style="list-style-type: none"> Outline Planning 		
8		CM	Resubmission of Grant funding/ other bid options are not successful	<ul style="list-style-type: none"> Project not able to commence or has to be scaled back 	15	3	↑	<ul style="list-style-type: none"> Improved bids submitted based on further development and improved business case modelling. 	Adequate	
9		MB	Delays in Grant applications being successful	<ul style="list-style-type: none"> Project delayed Project has be scaled back 	8			<ul style="list-style-type: none"> Close liaison with grant funding Robust grant application 	Good	
10		DS	Cost allowance is insufficient	<ul style="list-style-type: none"> Additional financial cost 	12			<ul style="list-style-type: none"> Built in additional contingency allowance Robust financial monitoring 	Adequate	
11		JG	Loss income due to Construction impact (major impact on	<ul style="list-style-type: none"> Cattle market income will suffer Loss of 	10			<ul style="list-style-type: none"> Clear communication plan Overall project 	Adequate	

			Tuesday market)	traders				delivers enhance facilities		
								<ul style="list-style-type: none"> Aim to build in April 		
12		DB	Schedule or time risk due to complex nature which impacts on funding	<ul style="list-style-type: none"> Project is delayed and effects funding draw down 	12			<ul style="list-style-type: none"> Regular review of project plan and monitoring of critical path Mitigation planning for key dates / impact projects 	Adequate	
13		DB	Contractor failure	<ul style="list-style-type: none"> Contractors unable to fulfil obligations Impact on project delivery 	6			<ul style="list-style-type: none"> Use of robust procurement methods (SCAPE framework) and contractors appointed 	Good	
14		JG	Disease Breakout / Defra Restrictions effecting movement of	<ul style="list-style-type: none"> Cattle Market closes due lack of business 	12			<ul style="list-style-type: none"> Work with MMMP's to ensure H&S guidelines are 	Adequate	

			Livestock					followed.		
15		DS	Members don't approve the capital contributions required for the project	<ul style="list-style-type: none"> Project cannot continue without other funding sources 	12			<ul style="list-style-type: none"> Members of the CMWG and PFA briefed on latest position Detailed business case prepared by Amion 	Good	
16		DB	State Aid implications arising from funding bid to support new building and operations	<ul style="list-style-type: none"> MBC breaches its state aid limit and project funding cant be secured 	6	9	↓	<ul style="list-style-type: none"> Specialist state aid legal advice being sort. Initial feedback doesn't identify a state aid issue Valuation advice to demonstrate market value 	Good	
17		DB	Reduction in the Economic viability of the market due to a fall in the agricultural	<ul style="list-style-type: none"> Reduction in income 	9			<ul style="list-style-type: none"> Use of external advisors Design and development spec takes into 	Good	

			industry					account future trends		
								<ul style="list-style-type: none"> Unique position in East Midlands 		

Last updated: 19th November 2014 – Internal project team (DS)

Risk Number	This is the unique identification number given to each individual risk
Owner/project	Who is the risk owner and therefore responsible for ensuring the mitigation work is undertaken
Cause	This describes the existing, potential or perceived risk/threat to the project objectives
Consequence	The impact of the cause is often a chain of events that can impact on many stakeholders
Current score and original score	Based on the risk matrix, how is the risk likelihood scored e.g. A, B, C, D or E Based on the risk matrix, how is the impact scored e.g. 1, 2, 3 or 4 The original score is as per the first time it was raised.
Current mitigation	The existing measures that are in place to control /prevent the risk (risk mitigation)
Adequacy	An assessment on the suitability of the current mitigation measures (adequate, poor, good)

Probability

A (6) Very high				
B (5) High		11	8	
C (4) Significant			10, 14	
D (3) Low		2, 3, 16	4, 6, 7, 9, 17	12, 15
E (2) Very Low			1, 5, 13	
F (1) Almost impossible				
	1 Negligible	2 Marginal	3 Critical	4 Catastrophic

Impact