



Levelling Up Fund update – Stockyard planning application

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Lead Member/Relevant Portfolio Holder	Councillor P Allnatt, Leader of the Council
Corporate Priority:	Theme 3: Tourism & Town Centre Regeneration and Vitality
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/a
Exempt Information:	No
Key Decision:	Yes
Subject to call-in:	Yes

1 Summary

- 1.1 This report is to update on progress with the design and development work associated with the Levelling Up Funded (LUF) Stockyard proposition at the Cattle Market and to seek Cabinet approval for submitting the planning application.

2 Recommendation(s)

That Cabinet:

- 2.1 Notes the progress made and approves submission of the planning application in line with the approach set out in the report.
- 2.2 Delegates Authority to the Director for Growth and Regeneration, in consultation with the Leader, to finalise the planning application, make relevant amendments to the

submission documents and to submit the application on behalf of Melton Borough Council.

- 2.3 Delegates authority to the director for Growth and Regeneration to appoint commercial agents to support the council in promoting the site, securing tenants, and negotiating lease conditions until June 2027.

3 Reason for Recommendations

- 3.1 To enable the council to meet its obligation for the delivery of the Stockyard development within the government mandated timeframes, the planning application for the development will need to be submitted by the end of May 2024.
- 3.2 Following delivery of several elements of the work programme for the design stage (design work, architectural input, site wide surveying, feedback from 'pre-app' discussions and stakeholders etc) the council now has most of the information it needs, and a robust evidence base, to develop the Stockyard planning application. Work is already underway in completing all necessary documentation, reports, and compilation of evidence to enable an application to be submitted by the end of May.
- 3.3 There is still some outstanding work in relation to key issues such as drainage and further evidence gathering which are ongoing. It is expected these will be finalised by the end of April to ensure the application can be submitted in a timely manner. The request for delegated authority will enable any final refinements to be made prior to submission.

4 Background

- 4.1 In 2022, the Council prepared a submission to the Levelling Up Fund (LUF) Round 2 in partnership with Rutland County Council which consisted of two projects focussing on Melton (Stockyard and Theatre), alongside two in Rutland (mobihub and medi-tech) and a transport project benefiting both areas (Demand Responsive Transport linking villages to Melton and Oakham). This proposal was submitted by Rutland County Council, as the accountable body for the bid, in August 2022.
- 4.2 In January 2023, the Council received confirmation that the bid had been successful, and the council and its partners started to mobilise project teams to secure relevant services, sign the appropriate legal documentation and set up the internal governance needed across the programme to ensure successful delivery.
- 4.3 A Cabinet Report was considered in March 2023 which set out the actions required and sought all relevant approvals to enable the project to proceed at pace. Since that meeting significant progress has been made in refining and developing the Stockyard project, proposals and design. Specifically:
- a) A back back-to-back agreement with Rutland was completed in July 2023 which laid out the legal terms and responsibilities that Rutland were transferring to Melton in relation to the Melton-led proposals (Stockyard and Theatre).
 - b) Extensive discussions with the Council's Leader and Cabinet in developing and shaping proposals to maximise the opportunity and ensure that it most effectively compliments the High Street and wider town centre offer.
 - c) A LUF Executive Board has been established to oversee the project at the programme level. This programme board meets quarterly and is supported by a number of internal

project and programme management structures to oversee progress. An internal project team meet weekly to discuss ongoing work programmes.

- d) As part as the Council's due diligence for this programme it was determined that the programme should be on the annual Audit workplan for 2023/24. This audit has now been undertaken and has identified that the project has received 'substantial assurance' in terms of control environment and compliance. This was reported back to Audit and Standards Committee on the 26th March 2024. All recommendations have been taken on board and the Council is working with Rutland County Council to implement these.
- e) Securing a design partner (August 2023) to undertake all necessary works to feed into the planning application as well as works required to enable handover to the construction phase (subject to planning approval being granted).
- f) Client-side support secured to enable the council to sense check work provided by the design partner.
- g) Stakeholder events have been delivered to inform key stakeholders of the developing proposals, how they have developed and what they seek to achieve.
- h) Pre-application discussions with Melton's Planning Department have taken place to inform the emerging designs, the conservation officer has also been engaged to ensure the development adheres to any requirements associated with being next to a conservation area and listed buildings. Pre-app discussions are also taking place with highways and utilities providers.
- i) Site visits have been undertaken to inform internal and external stakeholders as to the size, location and massing of the developments which have ultimately fed into the planning application.
- j) A majority of the site wide surveys have been undertaken and reports are now in the process of being written, this in turn is informing the designs and ultimately the planning application.
- k) An engagement webpage has been developed and was published in March 2024. This updated presence has been launched with a section where the public are able to respond to the latest proposals. The outcome of this will support the planning application through an updated 'statement of community involvement'.
- l) The planning application is being drafted with key documentation being pulled together to be submitted as part of this.
- m) All related project and board meetings are set up and held regularly to ensure the programme is delivering to expectations.
- n) Full analysis of site wide obligations to existing tenants has been undertaken and is being used to inform plans at the construction phase to ensure MBC meets its obligations to these tenants.

5 Main Considerations

- 5.1 Having done the preparatory work, the Council is now in a position to submit the Planning Application. As the Council is the applicant it will need to be considered by the Planning Committee. For clarity, the planning application will consist of development that is taking place in the following areas set out in Appendix A;

- a) Area E: this site is made up of council owned land and land that is leased to the council by the MMTE on a 999 year lease. This site will consist of 3 new buildings being developed and a new multifunctional event space/parking area created as well as refurbishment of vacant buildings on the edge of Nottingham road.
- b) Area D: This site is leased by the Council from Melton Mowbray Town Estate (MMTE) on a long-term lease and sub leased to the current operators Gillstream until June 2027. The development in this site will consist of one new food and drink production unit (subject to costs), refurbishment and enhancement of toilets facilities and wholesale improvement to public realm including accessways.
- c) Area C: This site is leased by the Council from MMTE on a long-term lease and sub leased to the current operators Gillstream until June 2037. A track of public realm improvements to the road up to the units within the livestock market.

5.2 **Scope and Planning Strategy:**

- 5.2.1 The planning application is predominantly designed to deliver the requirements of the proposed Stockyard development, facilitated through the Levelling Up Funding. Known as phase 1, this consists of site wide public realm improvements, development of new toilet facilities and 4 new production hubs within the site. Full planning permission will be sought for these elements.
- 5.2.2 It is though the intention to submit a single Hybrid Planning application, which, alongside the full application, will also seek outline planning permission for renovations to existing building on site (known as phase 2). These are not within the original scope of the Levelling Up Funding bid, but subject to considerations around costs and delivery timescales, the council may consider bringing forward some elements original scheduled for phase 2 into phase 1. This will be considered within the flexibility permitted within the LUF programme and is subject to further assessments. Appendix B shows the redline boundary for both the full and outline elements of the hybrid application.
- 5.2.3 Hybrid applications are often used on major developments to enable work to start sooner on one part (or phase) of the site before the full details of the other part(s) are known. It is at the Local Planning Authority's discretion as to whether to accept hybrid applications (as they're not defined in statute), however the intended strategy has been discussed and agreed with the planning officer as part of pre-app discussions that have taken place during the development of the application.
- 5.2.4 For the full application elements, the Council are looking to submit as much detail as possible to limit any 'pre-commencement' conditions. Through the pre-application engagement, the planning officer has confirmed that the conditions will be considered as part of the application process, and there is potential for details to be approved prior to occupation if necessary and reasonable to do so. The Council will be submitting construction management plans for consideration prior to a decision being made to avoid delay if permission is granted.
- 5.2.5 For the outline elements, a subsequent application for the approval of reserved matters must be submitted to provide the details on matters not considered at outline stage. An outline planning permission plus reserved matters approval combine to provide the same level of detail as a full planning permission. The approval of reserved matters can be dealt with under one or more separate applications.
- 5.2.6 Parallel work on surveys have been underway throughout December and January. These surveys and the subsequent reports that have informed the emerging design and planning

application for the site. All relevant works that are required, that these surveys have raised, will be resolved by the point of submission.

- 5.2.7 It is to note that it is the function of the Planning Committee to determine the planning application with all its aspects including buildings, scale, massing, design, highways etc. Views of the Cabinet have been sought in preparing these proposals. All members will be kept updated on the progress and ward members will be part of the design workshops as part of the planning process.
- 5.3 **Preapplication advice:** The design team have been in regular contact with the planning department to highlight any proposals that could be contentious in their nature, specifically in relation to the sites proximity to listed building and a conservation zone. The advice received from the conservation officer and through the pre-app process has been taken on board and used to make changes where appropriate to the scheme.
- 5.4 **Building location massing and design:** The buildings within the site have been agreed and design has moved forward significantly, the planning application will contain details on the size, scale massing, design and materials of each of the individual buildings. Amendments have been made based on the feedback we have received to date in relation to the buildings and the layout of the site. The site model is being designed around the core multifunctional festival square with 4 food and drink hubs facing into it. (please see appendix C – Site plan and appendix D – architectural designs)
- 5.5 **Flexibility built into the design:** The buildings themselves will be as flexible as possible to meet emerging business growth needs. Additional flexibility is built into the construction of the building themselves. This is being done to enable the council to reduce costs at the construction stage, should it need to, to ensure the budget the council has available is adhered to.
- 5.6 **Green Credentials:** The council has ensured to reduce the impact of the new development on the environment by including measures to increase energy efficiency where relevant. The specific details of these green measures will be included in the planning application; Key features of this approach include:
- PV panels across the new building's roofs where appropriate
 - Green roof on the anchor building
 - Ev charging points within the site.
 - Inclusion of planters and trees across the site as part of the public realm improvements
- 5.7 **Public realm:** The public realm treatment will be updated throughout the site. All improvements to the existing pedestrian and vehicular thoroughfares will be included in the planning application. This treatment will resolve existing issues around the walkways relating to uneven surfaces and potential trip hazards to make the site more accessible and welcoming to the public. Connectivity of this site with the town centre is also considered as part of public realm works. There will be reciprocal signage between the high street and stockyard to signpost visitors of both destinations to one another.
- 5.8 **Toilet provision on site:** The existing toilets are proposed to be updated and enhanced as well as additional toilets being provided across the site (see appendix C – Site Plan) to accommodate increased use and visitors to the site.
- 5.9 **Highways:** Conversations are ongoing with highways team at Leicestershire County Council, via the design team, to ensure all highways impact is considered and included in

design measures when delivering the Stockyard proposal. Works and surveys are ongoing to look at vehicular access into the site and within the site to ensure that any issues are resolved before the planning application is submitted.

- 5.10 **Drainage:** The drainage surveys have been undertaken. Any issues identified through these surveys will be designed and resolved as part of the planning submission and costed appropriately within the plan.
- 5.11 **Electrical infrastructure:** Following a thorough review of the capacity of electrical infrastructure on site and discussions with utility providers, a new substation has been included in the design in a vacant bit of land between the Nottingham Road entrance and the fire station. This will also support an uplift in any future electrical requirements if needed.
- 5.12 **Digital Infrastructure:** The Design team are currently engaging with BT/open reach to ensure good quality and high speed broadband is available within the development and into each of the new units that are due to be provided.
- 5.13 **Parking:** While area E is already being used as an informal car park, this proposal will create additional car parking area for the use of the businesses and visitors to the town centre. It is proposed to use this area flexibly for events.
- 5.14 **Impact on Events:** Whilst not a consideration of the planning application itself the impact of the development on the larger scales events during the construction phase will be considerable. The Council is liaising with the event operators to provide alternative space on site. It is expected that the event Calander will not be disrupted until late 2024.
- 5.15 **Impact on the town centre:** Concerns related to the impact of this facility on the town centre will be addressed through the proposal. A retail impact assessment is being undertaken to inform the sequential test for provision of retail use on the site. This test will identify the impact of any retail provision on the town centre retail area. This will form a key part of the evidence submitted within the application. The business case submitted to the Levelling Up Fund projected an increase in footfall to the town centre from the Stockyard development. The food production units proposed in the Stockyard development are anticipated to have a level of ancillary retail use to allow for the visitors to sample the product being manufactured on site. The level of this retail element, and wider flexibilities associated with this, will be based upon the outcome of the Retail Impact Assessment.
- 5.16 **Impact on existing tenants:** Following onsite discussions with existing key anchor tenants it has been made clear that there are some urgent growth requirements for a tenant on site. As a result of this it has been agreed that this growth aspiration will look at being included within the planning application for the Stockyard. We are continuing to liaise with the tenants to incorporate their requirements within the application with varying options being considered at this moment in time.
- 5.17 **Affordability:** Due to the tight budgetary constraints placed upon the programme, not all interventions submitted as part of the planning application could be implemented on site. In such instance, a variation to the application/ condition will need to be submitted at a later date. The affordability has been tested and is being monitored through all stages of this project but it will finally be determined following the planning approval and procurement of construction works. This is likely to be influenced by a range of external factors including inflation.

6 Options Considered

- 6.1 Do not submit planning application – this was rejected as it would result in the council having to hand back £10.2m to the government for this development.
- 6.2 Delay submission of planning application – this is not recommended as all required information will be available by the point of submission. This approach will also lead to a knock-on delay to the construction programme which could push the programme beyond the govt mandated end date for completion.

7 Consultation

- 7.1 During the design phase significant consultation has been undertaken with a range of stakeholders. This consists of:
 - a) A stakeholder event was held at Parkside to provide an overview of initial design to all town centre stakeholders including BID Board members and MMTE board members.
 - b) A session was arranged in the Council chamber where all members and officers of the Council were invited to have a preview of the initial designs and provide views.
 - c) A session was arranged at the Stockyard site inviting all existing tenants and occupiers of current buildings to consider the designs and have they say.
 - a) An overview of the proposition has been added to the website to enable feedback on the development by the public. This survey is due to run until the end of May 2024.
 - b) Another event is planned for mid May to invite all businesses, residents and visitors of the town centre to have a look at the proposed designs prior to submission of planning application.
- 7.2 The information received so far from engagement with members and stakeholders has been used to revise and update the designs.
- 7.3 All the information and feedback received will be collated into a statement of community involvement that will be submitted as part of the planning application.
- 7.4 Melton Mowbray Town Estate will be informed and kept up to date with all developments relating to these proposals in writing.
- 7.5 The Council will be proactively contacting all immediate neighbours to inform them that the planning application will be submitted in due course. These immediate neighbours will have the opportunity to attend a stakeholder event to find out more about the development.

8 Next Steps – Implementation and Communication

- 8.1 Should approval to submit the application be secured, officers will continue to work with Cabinet to develop the planning application with a view to submitting in May 2024.
- 8.2 Once submitted officers will begin to start work on securing a construction partner for the delivery of the build works associated with the planning application. A paper will be brought to Cabinet to outline the options available to the council.
- 8.3 Once the application has been submitted the design team will continue to work on the more technical elements (RIBA 4) of the proposals. This will provide all design and technical information required to enable the manufacturing and construction elements of

the development. This will be done to enable the project team to mobilise and get on site as quickly as possible post planning decision.

8.4 The council will procure a commercial agent for promotion and marketing of the site, this will support the council in promotional and marketing activity for the units during the pre-construction and constructions phases ensuring that the development has as high a occupancy as possible by the date that it opens. This agent will support the council in the following areas:

- a) Promotion of the site and securing interest from perspective occupants during the design and construction phase of the programme
- b) Negotiation of terms relating to any occupancy
- c) re letting any units that are vacant should existing occupiers leave.

9 Financial Implications

9.1 The submission of the planning application and all associated costs are funded through the LUF and are included within the 2024/25 expected spend amount in the table below.

9.2 Due to the complexity of the site additional costs have been incurred during the design phase for works that were previously out of scope or that required additional resources to resolve. These works have been essential to providing a robust evidence base to enable the planning application to be submitted. The solutions provided will also future proof the wider site for years to come. It is not expected that these additional costs will fundamentally alter the delivery of the construction phase of the programme as contingencies are in place to cover unforeseen works that are required. A breakdown of costs can be seen below.

9.3 Financial Summary:

Stockyard	23/24	24/25	25/26	Total
Expected	£386,586.20	£4,647,971.58	£6,170,000	£11,200,000
Actual	£382,028.42	TBC	TBC	
Difference	(£4,557.78)	TBC	TBC	

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

10.1 Since the Planning applications will be submitted by the Council, these must be considered by the Planning Committee. Additionally, the law prevents the public from being excluded during consideration of the applications.

10.2 Any Cabinet Members who are involved in the decision to submit the planning application should not be a part of the planning committee that considers the application. Having worked with Officers to develop the proposals, those Cabinet Members will have a prejudicial interest and should not determine what is effectively their own application. Further, in the interests of transparency, the Council should establish 'ethical walls' to ensure that the same Officers and Members are not involved in both submitting and determining the application.

10.3 Any planning permission which is granted will run with the land (rather than ‘belong’ to a person or organisation). Whilst there may be other ownership matters on the proposed development site (e.g. leases and licences) these are unlikely to have any bearing on the application providing the correct certificates as to ownership and occupation are served in the planning application.

10.4 Further, the Council must ensure that the application relates to development which is within the scope of and meets the grant conditions and agreement with Rutland CC, including specified timescales, spend profile etc.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

11.1 The design has been developed in accordance with all equalities and accessibility requirements. We will continue to undertake all relevant audits and impact assessment for the development as required.

12 Data Protection Implications (Mandatory)

12.1 A Data Protection Impact Assessments (DPIA) has not been completed at this stage because there are no risks/issues to the rights and freedoms of natural persons.

13 Community Safety Implications

13.1 The Council has an obligation to work with the police to reduce crime and disorder and must consider potential crime and disorder implications when discharging its functions. The Council will work with police and other advisory bodies to ensure that new legislation such as the introduction of ‘Martyn’s Law’ is adhered to and that the Stockyard meets any applicable standards for ‘secure by design’.

14 Environmental and Climate Change Implications

14.1 Please see body of the report

15 Other Implications (where significant)

15.1 n/a

16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Failure to submit application or delay until further amendments are made leading to delays in construction.	Low	Critical	Medium
2	Failure to secure planning permission	Low	Critical	Medium

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low			1,2	
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	The project plan has been adhered to and there has been ongoing and extension engagement with all stakeholders. Preparatory work is underway and site surveys are close to being completed. Continue to manage the design programme with the project team and the design team to ensure delivery within timescale and budget. Continue to monitor any risk items and issues that could cause delay of submission and put mitigations in place. Subject to Cabinet approval the Council should be in a position to submit the application.
2	Pre-application discussions have taken place and the Council has held stakeholder engagement sessions and has made the plans available on its website for public comment. Further consultation will take place as part of the formal planning process.

17 Background Papers

17.1 Cabinet report – 8th March 2023.

18 Appendices

18.1 A – Ownership and leasehold map

18.2 B – Redline Boundary

18.3 C – Site plan

18.4 D – Architectural designs