

## **AD HOC MELTON ENVIRONMENTAL & ECONOMIC AFFAIRS**

**4<sup>th</sup> DECEMBER 2017**

### **REPORT OF HEAD OF COMMUNITIES AND NEIGHBOURHOODS**

#### **CATTLE MARKET- SOUTHERN SITE- LETTER OF COMFORT FOR LONG TERM LEASE**

##### **1.0 PURPOSE OF REPORT**

- 1.1 To seek members approval to provide a letter of comfort to Gillstream to confirm the council's intention to enter into a long term lease arrangement for the Southern End of the Cattle Market

##### **2.0 RECOMMENDATIONS**

**It is recommended that members:-**

- 2.1 **Approve to provide a letter of comfort to Gillstream and delegate to the Head of Communities & Neighbourhoods in consultation with the Corporate Director and the Solicitor to the Council to negotiate the terms of a 20 year lease.**
  
- 2.2 **Approve the continuation of the Cattle Market Working Group to oversee Phase 2 of the Cattle Market Project, specifically relating to the Southern end of the site.**

##### **3.0 KEY ISSUES**

- 3.1 Members previously approved a 20 year lease (to expire end June 2037) with Gillstream Markets Ltd for the Northern site of the Cattle Market as part of the Cattle Market Phase 1 works relating to the new livestock investment.
- 3.2 The southern end of the site is currently on a short 5 year lease and Gillstream Markets Ltd would like negotiate a 20 year lease ( to expire end June 2037) to give them the incentive to invest in the Southern site, this will form part of the Cattle Market Phase 2 project.
- 3.3 Subject to members approval Gillstream initially aim to bring in a world class brewer (Round Corner Brewery), to create a fantastic location & develop a destination that can deliver visitors and growth to Melton.

Afterwards working with MBC we can develop the next stage and seek wider investment for it and the whole southern end of the site.

- 3.4 Following the completion of phase 1 we have seen some positive increase in income in livestock sales and while some issues are still being discussed with Gillstream i.e. rate re-evaluation, rents and VAT, overall the project has been a successful project, which the LLEP list as a major achievement.

3.5 Gillstream Markets Ltd has prepared a 2 slide presentation which provides further background information and the potential opportunity; this is attached as Appendix A.

### 3.6 Cattle Market Working Group

Members previously established the Cattle Market Working Group to oversee the Cattle Market Phase 1 project which is nearing a closure position. Members are asked to consider continuing with the Working Group and elect members to oversee Phase 2 of the project. This will primarily be focused around developing the southern end of the site.

## 4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 This proposal clearly supports a number of Place related priorities in the Council's Corporate Place and due to its potential job creation will support priorities relating to People.

## 5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 Subject to members approval officers will negotiate terms as part of the 20 year lease and report back to the Cattle Market Working Group the details of the lease. The Council's Corporate Director in their role as section 151 officer will oversee the financial implications of the lease terms.

## 6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 Subject to members approval officers will negotiate terms as part of the 20 year lease and report back to the Cattle Market Working Group the details of the lease. The Council's Solicitor to the Council will oversee the legal implications of the lease terms; this will include appropriate review dates.

## 7.0 **COMMUNITY SAFETY**

7.1 No direct Community Safety issues have been identified as part of this report

## 8.0 **EQUALITIES**

8.1 An EIA has not been completed as part of this report, however, as the project moves into phase 2 an initial EIA will be undertaken to ensure the projects address any equality issues.

## 9.0 **RISKS**

The risks identifies below are the potential outcomes should this report not receiving member support.

9.1

<b>L I K E L I H O O D</b>	<b>A</b>	<b>Very High</b>				
	<b>B</b>	<b>High</b>				
	<b>C</b>	<b>Significant</b>			2	
	<b>D</b>	<b>Low</b>			1	
	<b>E</b>	<b>Very Low</b>				
	<b>F</b>	<b>Almost Impossible</b>				
			<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>

**IMPACT**

<b>Risk No</b>	<b>Risk Description</b>
<b>1</b>	Unable to agree terms with Gillstream Markets Ltd for the Southern end of the site
<b>2</b>	Long term lease does not result in investment and /or improvement in the southern end of the site.

## 10.0 CLIMATE CHANGE

10.1 No direct implications have been identified.

## 11.0 CONSULTATION

11.1 Officers have been discussing the potential of a longer term lease for the southern end of the cattle market site, which has led to this report seeking members approval to formally negotiate the terms, subject to members approval.

## 12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer     H Rai  
Date:                    27/11/17

Appendices :        Background and opportunity information sheets.

Background            None  
Papers:

Reference : X : Committees\MEEA\2017-18\0411217\HR- Cattle Market