

The Vale of Glamorgan Council

Cabinet Meeting: 9th May 2016

Cabinet Member for Regeneration

Cowbridge Livestock Market Regeneration Project

Purpose of the Report

1. To report the progress of Cowbridge Livestock Market Regeneration Project identified on the Master Plan in [Appendix A](#) and to consolidate a set of updated recommendations for the delivery of the project.

Recommendations

1. THAT Cabinet authorises the Project Board (the Leader, Cabinet Member for Regeneration, Managing Director, Head of Regeneration and Planning and Head of Finance) to determine the delivery of the master planned project in [Appendix A](#) and use its discretion to consider the "Important Reservations" identified in this report.
2. THAT Cabinet authorises the Managing Director in consultation with the Leader, Cabinet Member for Regeneration, Head of Regeneration and Planning and Head of Finance to offer an extended period of time until the end of December 2016 for the Vale Market Community Enterprise to raise funds for the Market Hall proposal and for the Project Board at its discretion to determine any further extensions of time for the Market Hall scheme.
3. THAT Cabinet authorises the Managing Director, in consultation with the Leader, Cabinet Member for Regeneration, Head of Regeneration and Planning and Head of Finance, to market and dispose of Zones A/B (identified indicatively in [Appendix A](#)) as a broader development opportunity for residential use and/or older person's residential use, with a requirement for the successful bidder to deliver at their own cost on land to be retained by the Council the two public car parks (identified indicatively in [Appendix A](#) as Zones E1, E2, F, F1 and F2) and associated highway and drainage infrastructure.
4. THAT subject to recommendations 1 and 2 above Cabinet authorises the Managing Director, in consultation with the Leader, Cabinet Member for Regeneration, Head of Regeneration and Planning and Head of Finance, to negotiate and dispose by way of a lease the land at Zone C (identified indicatively in [Appendix A](#)) for a Market Hall to the Vale Market Community Enterprise at the appropriate time.
5. THAT subject to recommendations 1 and 2 above Cabinet authorises the Managing Director, in consultation with the Leader, Cabinet Member for Regeneration, Head of

Regeneration and Planning and Head of Finance, to negotiate and dispose by way of a lease the land at Zone D (identified indicatively in [Appendix A](#)) to Glamorgan Marts for a Livestock Market operation at the appropriate time.

6. THAT subject to recommendations 1, 2 and 5 above Cabinet authorises the Managing Director, in consultation with the Leader, Cabinet Member for Regeneration, Head of Regeneration and Planning and Head of Finance to negotiate the terms and agree a Licence to allow Glamorgan Marts to utilise land at Zone E1 (identified indicatively in [Appendix A](#)) and associated access on market days at the appropriate time.
7. THAT Cabinet authorise an extension of the existing Licence of Glamorgan Marts for a period of 12 months until 31st March 2017 for the full Livestock Market site.
8. THAT Cabinet authorise the Head of Legal Services to prepare, execute and complete all legal documentation as may be required to facilitate project delivery.

Reasons for the Recommendations

1. To authorise the Project Board to oversee the delivery of the master planned regeneration project;
2. To authorise an extended period of time until December 2016 for the Vale Market Community Enterprise to allow for fund raising associated with the Market Hall proposal and thereafter any further extensions of time to be approved by the Project Board;
3. To enable the marketing and disposal of Zones A/B as a broader development opportunity for residential use and/or older person's residential use and to enable the delivery of the public car parks and associated highway and drainage infrastructure;
4. To enable the lease disposal of Zone C for a Market Hall to the Vale Market Community Enterprise;
5. To enable the lease disposal of Zone D to Glamorgan Marts for a Livestock Market operation;
6. To enable a Licence for Glamorgan Marts to utilise on market days land at Zone E1 and associated access;
7. To authorise for 12 months until the end of March 2017 an extended Licence for Glamorgan Marts for the full Livestock Market site;
8. To authorise the Head of Legal Services to prepare, execute and complete all legal documentation as may be required to facilitate project delivery.

Background

2. In accordance with Cabinet Minute C2710(1) continued support "...was agreed in principle for the Vale Market Action Group's (VMAG) mixed use Master Plan for the regeneration of the Livestock Market site, subject to any amendments required by the Council, planning/statutory consents and the Important Reservations identified in the report..." by the Cabinet meeting of 23rd March 2015.
3. The "Important Reservations" referred to in the above Minute relate to the Council reserving the right to review its position regarding the future of the full Livestock

Market site, the VMAG Master Plan, the Market Hall and the Livestock Market operation in the event that one or more of the following occur: (i) the Council's marketing and disposal of Zones A/B is unsuccessful; and/or (ii) the capital and revenue funding for building and starting up the Market Hall is not secured by the VMAG and/or Charitable Incorporated Organisation (CIO); and/or; (iii) the Council and the VMAG and/or CIO do not agree a Lease for the Market Hall; and/or (iv) the Council and Glamorgan Marts do not agree a Lease for a scaled down Livestock Market.

Relevant Issues and Options

4. Since the previous report to Cabinet, steady progress has been made with this community initiated mixed use regeneration project, which if implemented will greatly enhance this important part of Cowbridge town centre. However, this is a challenging and complex mixed use project that will take a number of years to deliver on a phased basis. It is therefore proposed for Cabinet to delegate authority to the Council's Project Board (which comprises the Leader, Cabinet Member for Regeneration, the Managing Director, Head of Regeneration and Planning, and the Head of Finance) to oversee the delivery of the master planned project. As the project progresses the Project Board will decide whether or not any part of the master planned project should proceed whilst using its discretion to consider the above mentioned "Important Reservations".
5. In terms of progress, the Vale Market Action Group (VMAG) has established a company called the Vale Market Community Enterprise (VMCE) to facilitate the physical delivery and operation of the Market Hall, which the group has named "THE EXCHANGE". An application has been submitted by the VMCE's lawyers to the Charities Commission to establish the VMCE as a charity. The VMCE, which comprises volunteers from various local community businesses and organisations, continues to work hard with its consultants and has been preparing for pre planning discussions a detailed design of The Exchange along with pursuing funding for its delivery.
6. In addition to previous funding secured by the VMAG which allowed for the feasibility of The Exchange to be assessed, the VMAG/VMCE have been pursuing the following funding sources for the design, construction and initial operation of The Exchange:
 - (a) WATERLOO FOUNDATION - recently contributed £10k towards the VMCE's costs associated with the planning and design, and legal support associated with the Exchange;
 - (b) COMMUNITY BONDS - the VMCE has undertaken community engagement exercises and received expressions of interest amounting to approximately £85k;
 - (c) THE LOTTERY (PEOPLE AND PLACES) - the VMCE has submitted an expression of interest to the Lottery and is preparing an application to seek a £650k grant to include capital and running costs for the first five years. The Lottery application involves a two stage application process. The VMCE anticipate that by May 2016 or soon thereafter the Lottery will decide if the project has passed the Stage 1 application process and can proceed to Stage 2. Thereafter the Stage 2 process is anticipated to be concluded by July 2016.
 - (d) RURAL COMMUNITY DEVELOPMENT FUND (RCDF) - The VMCE recently submitted an Expression of Interest submission to the Welsh Government for a RCDF grant of £128k. The VMCE report that it has obtained Welsh Government

approval for the first stage of this grant application process and that its application will now go to the CRC for consideration by the Local Action Group; and

(e) In addition the VMCE is contemplating other potential funding sources for The Exchange, for example: whether to apply to the Council for a Community Asset Transfer (CAT) of the land (i.e. Zone C in [Appendix A](#)) and thus potentially opening up further channels to seek funding opportunities; and the VMCE may wish to investigate the possibility applying for Section 106 monies if available in due course.

7. Fundamental to the delivery of the overall master plan (attached at [Appendix A](#)) is the disposal of Zones A/B for redevelopment as this is the means by which the proposed public car parks (Zones E1, E2 and F, F1 and F2) and associated drainage and highway infrastructure would also be delivered. The Council's Project Team is at an advanced stage of preparing to market Zones A/B for redevelopment. Marketing agents have been appointed in accordance with Cabinet Minute C2710(8) by the Council to market the said land. It is anticipated marketing will commence from May or June 2016 or soon thereafter for a six week period. The intention is for the Council to broaden the marketing of Zones A/B as a development opportunity (subject to planning) for residential use and/or older person's residential use. This broader marketing strategy will hopefully result in attracting more bids for Zones A/B and hence ensure a better prospect of securing a viable project.
8. If the marketing of Zones A/B is unsuccessful the Project Board will review the overall master planned regeneration project and report back to Cabinet. If the marketing secures a viable bid, the Project Board will facilitate (subject to contract and planning) the disposal of Zones A/B for a residential and/or older person's residential use irrespective of the status of The Exchange and Glamorgan Marts elements of the project.
9. In terms of the remaining Zones, ongoing discussions are being held with the VMCE regarding Heads of Terms for the Exchange, i.e. the Market Hall lease for the land at Zone C; and similarly discussions are being held with Glamorgan Marts for the existing Livestock Market Shed (Zone D) and in accordance with Cabinet Minute C2710(7) a Licence on market days for use of Zones E1/E2.

Resource Implications (Financial and Employment)

10. A budget of £50,000 is identified in the Capital Programme for 2016/17 to fund various costs associated with the ongoing survey, feasibility, marketing and project management of the regeneration project.
11. As reported previously to Cabinet the physical and financial delivery of two public car parks and associated highway infrastructure on land to be retained by the Council will be a condition of the disposal of Zones A and B to a developer in lieu of capital receipts.
12. The Council will be responsible for facilitating the management of the proposed two public car parks and the Deed of Easement Route as the principal access to one of the car parks. The cost of managing this infrastructure will be funded by the Department of Environment and Housing Services.

Sustainability and Climate Change Implications

13. It is anticipated this is a matter that will be addressed at a detailed design stage. However, mixed use developments are often promoted as sustainable approaches to development.

Legal Implications (to Include Human Rights Implications)

14. The land falling within this regeneration project is within the freehold ownership of the Vale of Glamorgan Council.
15. Consideration will also need to be given to any European State Aid implications that may affect the deliverability of the Market Hall. For example, if the VMAG and/or CIO request the land at Zone C to be disposed at under market value, this would have to be reviewed in terms of whether it would breach State Aid regulations.
16. The Council has a statutory and fiduciary duty to obtain best consideration for land and property disposals pursuant to S123 of the Local Government Act 1972.

Crime and Disorder Implications

17. The mixed use redevelopment of the site, if viable, provides the opportunity to address any issues of crime and disorder through appropriate scheme designs.

Equal Opportunities Implications (to include Welsh Language issues)

18. The project will be delivered in accordance with the Council's equal opportunities policies and ethos.

Corporate/Service Objectives

19. The delivery of the project has the potential to assist with the regeneration of Cowbridge Town Centre.

Policy Framework and Budget

20. This report is a matter for an Executive decision.

Consultation (including Ward Member Consultation)

21. The site is located within the Cowbridge ward and the Local Ward members have been consulted and their comments will be reported to Cabinet.

Relevant Scrutiny Committee

22. Corporate Resources.

Background Papers

None.

Contact Officer

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Officers Consulted

Head of Regeneration and Planning
Director of Environment and Housing Services
Operational Manager, Regeneration
Operational Manager, Development Management
Group Estates Manager, Property Section
Lawyer, Legal Division

Accountant

Responsible Officer:

Rob Thomas, Managing Director