



Nelson Town Centre – Pendle Rise Shopping Centre (Broadway,  
Nelson BB9 9SL)

Compulsory Purchase Order 2024  
Relocation Strategy V13

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## 1.0 Introduction

1. Pendle Borough Council ("PBC") is seeking the comprehensive redevelopment of Pendle Rise Shopping Centre (PRSC) to facilitate its regeneration by the demolition of the existing property and the erection of retail buildings providing flexible commercial use floorspace, landscape amenity space and parking together with other associated works.
2. The acquisition and redevelopment of Pendle Rise form part of the 'Revitalised Nelson' programme, which is funded by approximately £12.5million of Town Deal funding, and which also includes for the provision of town centre properties for the relocation of existing PRSC tenants on a temporary and permanent basis.
3. PBC has long been committed to securing a sustainable future for Nelson, with the future of PRSC being central to this.
4. Although PRSC was popular when it was constructed in 1960's and has provided retail facilities to the locality for decades, it is now dated, unable to meet the requirements of modern occupiers, suffers from a lack of diversity in terms of the shopping offer and presents a poor image for the town. The SC was refurbished in the early 2000s, but the works were superficial and did not address the fundamental problems of including its unit sizes, and visual unattractiveness. All retail units on the first floor are empty and the indoor Nelson market which used to operate, at a considerable loss, underneath the complex in a basement setting ceased to operate in February 2021. Vacancy rates within the remaining ground floor retail area are currently estimated to be running at around 60%.
5. In November 2019, PBC was one of 101 councils invited to bid for UK Government Town Deal funding of up to £25m of funding for strategic regeneration/growth projects to be delivered. Also, in 2019 PBC commissioned Cushman & Wakefield, supported by Optimised Environments (OPEN) in respect of urban design, and WSP for transport and infrastructure, to prepare a masterplan.
6. This masterplan, which was adopted on the 25<sup>th</sup> November 2021, identified objectives and a new vision for the town which has been reviewed and refined by the Town Board (set up to oversee the future transformation of the Town and the preparation of the Town Investment Plan to support the Town Deal Bid).
7. PBC were awarded Town Deal funding to deliver the aims and objectives of the Nelson Masterplan for which the redevelopment of PRSC is central to the achievement of its aims and objectives.
8. After years of decline, there had not been any significant private sector investment within the Shopping Centre.

9. This was followed in 2022 by the Revitalised Nelson Business Case for the DLUHC Town Deal Funding. The Revitalised Nelson programme aims to attract people into Nelson and covers the redevelopment of PRSC, procuring and upgrading relocation properties in support (see Section 5.0) and the redevelopment of the small Trafalgar House site nearby. Residents and businesses have been closely consulted on the redevelopment proposals which aim to create a positive experience for Locals and Visitors while supporting economic resilience and repurposing key spaces around the town centre to maximise the potential of commercial space as a driver of economic growth.
10. The Policy and Resources Committee initially resolved to being preparations for making a CPO for Pendle Rise Shopping Centre (PRSC) on 26<sup>th</sup> May 2022), including the service of statutory section 16 requisitions for information to obtain confirmation of the owners and occupiers of PRSC. This would enable an informed offer to acquire the land to be made, and negotiations to progress. Having not been able to conclude voluntary negotiations, on 25<sup>th</sup> August 2022 the Policy and Resources Committee resolved to delegate authority to officers to pursue a CPO to acquire the land compulsorily
11. PBC had been trying to acquire the Shopping Centre, as well as gather information about its tenants in order to progress the Shopping Centre Redevelopment for a number of years. After the owner's failure to respond to enquiries and statutory notices requesting information, PBC resolved on 25<sup>th</sup> August 2022 to take the initial steps in connection with the making of a compulsory purchase order in respect of the Shopping Centre. Attempts to acquire voluntarily after this continued, and PBC successfully acquired the freehold and long leasehold interest on 20<sup>th</sup> June 2024.
12. The former owner was uncooperative, hindered PBC from being able to identify all the tenancy interests within the Shopping Centre and was successfully prosecuted for failing to provide information about occupancy information. Despite this, PBC was able to identify and engage with some of the occupiers of the Shopping Centre about its redevelopment proposal, both before and since the resolution relating to compulsory purchase were made on the 25<sup>th</sup> August 2022.
13. As part of the engagement for the planning application for the Shopping Centre redevelopment in 2023, all existing tenants were consulted and as a result a total of six smaller units have been included on the indicative layout which could cater for the smaller retailers who wish to be relocated into the Shopping Centre Redevelopment. The mix of different sizes will provide variety and interest to help the development blend with the mixed character of the wider town centre.
14. Planning permission for the redevelopment scheme was obtained on 11<sup>th</sup> September 2023 and negotiations with the freeholder continued and PBC successfully acquired the freehold and long leasehold interest on 20<sup>th</sup> June 2024 .

15. The acquisition of the freehold interest represents a significant milestone towards securing the redevelopment of PRSC. This has enabled PBC to have more detailed meaningful discussions with tenants and occupiers about acquisition and relocation options with a view to securing the vacant possession of PRSC.
16. Although PBC are now the owners of Pendle Rise Shopping Centre, to carry out the shopping centre redevelopment it is still necessary to ensure that all other remaining interests in PRSC can be acquired and vacant possession of the property can be obtained. In parallel with voluntary negotiations, a CPO is being prepared in case voluntary acquisitions are not possible, with CPO powers to be used as a last resort.
17. This Relocation Strategy records PBC's approach to the acquisition of commercial interests comprised in the site (the "Businesses") and the engagement, advice and assistance given to occupiers of commercial interests to relocate from the site to an alternate location. It seeks to identify measures that are/will be put in place to help minimise the impacts of the proposed Order on Businesses and the local community that they serve.
18. PBC has appointed AXIS, a property consultancy with a specialism in compulsory purchase and compensation, to support PBC officers in negotiations with affected businesses to purchase their interests by agreement. PBC has retained CPO Specialist Lawyers from Eversheds Sutherland, a global top 10 law practice, to help with the process.
19. This Relocation Strategy is an evolving document, which will be revised as and when further relevant information is available. PBC will monitor the effectiveness of the strategy on a frequent basis. Feedback received from affected Businesses in respect of the strategy will be reviewed and where appropriate changes will be incorporated to respond to points raised.

## **2.0 The Proposed Development**

20. Nelson is a key service and employment centre for the Borough of Pendle; however, it currently underperforms as a business and residential destination. Landmark underutilised and vacant buildings such as PRSC blight the town centre and reinforce perceptions of long-term decline. This has led to dwindling footfall in Nelson and undermined investment confidence in the town accordingly.
21. The acquisition of PRSC has brought a high-profile and key site of Pendle Rise into the council's ownership ready for the Town Deal Investment. The investment aims to demolish the existing buildings, and in their place construct a new retail park. Plans for the development are contained in Appendix 1. The development responds to identified occupier needs and current requirements, improving the quality of retail stock and accessibility around the area, and providing much-needed EV charging and parking in the town centre.

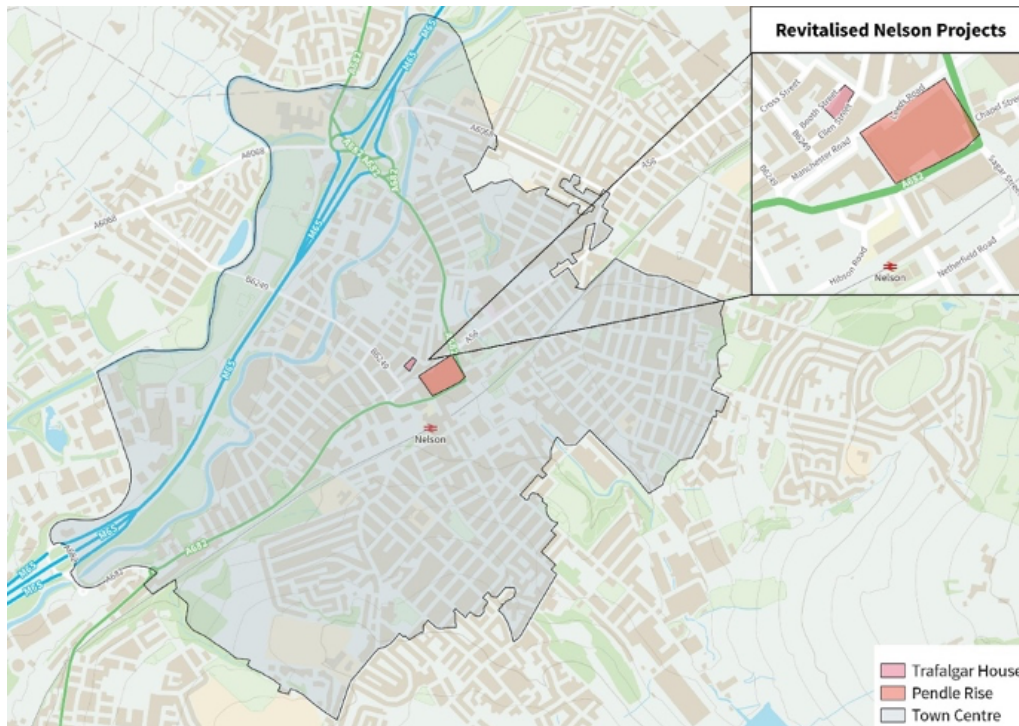


Figure 1.1 Context Map

22. This will in turn drive increased activity and footfall within the town centre, making it a safer environment for users and attractive to businesses looking for retail spaces.
23. The extent of the redevelopment of Pendle Rise Shopping Centre is indicated on the draft plan in Appendix Two. The draft plan is subject to amendment as the land reference process progresses.
24. The redevelopment proposals set out to optimise the use site, addressing the need to deliver new, better quality commercial space for the town of Nelson, through providing better-targeted uses of new prominent buildings, and a newly regenerated public realm that provides accessible routes for visitors in the Town Centre. The Scheme will create a dynamic and safer atmosphere, increasing custom for businesses and incentivising investment.
25. By working to improve the lives of residents in Nelson and build a cohesive community, this project will deliver:
  - a. 4,000sqm of new commercial floorspace
  - b. Up to 395 FTE jobs supported in new or refurbished commercial space
  - c. 14 new EV charging facilities
  - d. 1,000 sqm of new/improved public realm provided

### 3.0 Planning permissions

26. On 11th September 2023 the Planning Permission was granted for 'Full (Major): Demolition of the existing shopping centre and redevelopment for retail use including access, car parking and landscaping.' See Appendix 3.

#### 4.0 Commercial Occupiers

27. The last updated information supplied by Terra Quest, a Land Referencing Company and Beddows Limited, the Centre Management Company shows that there are approximately 19 occupants, 25 vacant units, 3 Telecoms masts and a electricity sub-station in the basement.
28. From the valuation report, existing businesses within PRSC are a mixture of local independent and national retailers.). Many of the national retailers have already left the shopping centre, leaving only namely Specsavers, Greggs, Card Factory and Martin's Newsagent remaining within the centre.
29. The existing commercial stock is mainly of poor quality. Before the acquisition, there were many complaints from tenant retailers made to PBC regarding heating, leaks and more. However, now PBC have acquired the shopping centre, they have procured a Facilities Management Company to deal with these issues with urgency.
30. The table below outlines currently held information as to the mix of retailers in the centre:

Type	Unit No.	Tenant	Status	Area (sq ft) - Approx
Telecoms Masts	Phoenix Chambers - Roof top	Cornerstone Telecommunications infostructure Ltd	Occupied	N/A
	Phoenix Chambers - Roof top	Airwaves / Blue Mast	Occupied	N/A
	Phoenix Chambers - Roof top	NBNL – Orange / EE	Occupied	N/A
Phoenix Chambers	Court and office Buildings	Vacant	Vacant	N/A
Leeds Road	Corner Kiosk	Fruit Munch	Vacant	205
	1/3 Leeds Road	Vacant	Vacant	15,209
	2 Leeds Road	Muhammed Younis Karim and Mohammad Haroon Kareem t/a Chaudhry	Occupied	1970
	12 Leeds Road	Nelson Bazar	Vacant	10, 290
	14a Leeds Road	Vacant	Vacant	Unknown
Holme Street	1 – 7 Holme Street	Vacant	Vacant	Unknown
	17 – 19 Holme Street	Vacant	Vacant	Unknown
	21 – 27 Holme Street	Ashiq Hussain T/A Rehman's Takeaway	Occupied	2,322
Marsden Mall	1-3 Marsden Mall	Vacant	Vacant	13,115
	B1 Marsden Mall	Beans & Buns	Occupied	2,130
	B2 Marsden Mall	Vacant	Vacant	586
	2-4 Marsden Mall	Vacant	Vacant	2,143

<b>Marsden Mall</b>	5 Marsden Mall	Mobile Doctor	Occupied	585
	6 Marsden Mall	Greggs	Occupied	826
	7 Marsden Mall	LPF Confectionary t/a All Sorts	Occupied	1,300
	8 Marsden Mall	Specsavers	Occupied	1,725
	9 Marsden Mall	Home Bargains	Vacant	2,896
	10-14 Marsden Mall	Lancashire Furniture Ltd	Occupied	2,150
	11 Marsden Mall	Khalid Mahmood – Gift Shop	Occupied	1,938
	15 Marsden Mall	Khalid Mahmood – Shoe Island	Occupied	938
	16 Marsden Mall	Vacant	Vacant	1,125
	17–21 Marsden Mall	Vacant	Vacant	2,218
	20 Marsden Mall	Card Factory	Occupied	1,611
	22 Marsden Mall	Sam's Beauty Box	Vacant	671
	23 – 27 (odds)	Vacant	Vacant	Unknown
	24 Marsden Mall	Nelson Nutrition	Occupied	464
	26 Marsden Mall	Next Escape	Vacant	471
	28 Marsden Mall	Vacant	Vacant	519
	29 - 31 Marsden Mall	Vacant	Vacant	1837
	34 Marsden Mall	Pendle Green Grocers	Vacant	732
	35 Marsden Mall	DNL 6 UK t/a Branded Clearance	Occupied	3,511
	36 Marsden Mall	Armico News	Occupied	720
	38 Marsden Mall	Vacant	Vacant	729
<b>Pendle Way</b>	Kiosk	Vacant	Vacant	208
	1 Pendle Way	Ahsan Raza t/a Nelson Mobiles	Occupied	636
	3 – 15 Pendle Way	Vacant	Vacant	6,014
	4 Pendle Way	The Sofa Centre	Vacant	12,000
	2 Pendle Way	Jimmy The Jeweller	Occupied	763
<b>PRSC Other</b>	1 <sup>st</sup> Floor Unit 1 & 2	Vacant	Vacant	9,100
	2 <sup>nd</sup> Floor – Former First Floor Balcony Units	Vacant	Vacant	11,477
	Market Hall	Vacant	Vacant	15,515

**Key**

Green = Vacant

Grey = vacant

## 5.0 Commercial Provision within the CPO Scheme

31. A budget for securing relocation properties was referenced in the original Nelson Town Deal bid with £1,360,000 of Town Deal funding allocated to acquire and secure relocation properties, with £3,307,500 of match funding coming from PBC's JV partner (see Section 11.0)
32. PBC Officers have been actively reaching out to tenants to gain a comprehensive understanding of their specific needs and requirements for relocation (See Section 8.0)
33. The following table provides the extent of commercial floorspace required for relocation in Nelson town centre, based on initial conversations with existing tenants

Site Provision	Floor Area (sqm)	Floor Area (sqft)
Current total area of PRSC excluding Phoenix Chambers	10086	108,573
Total floor area of replacement scheme	5120	55,120
Approximate area of occupied retail space*	4541	48,880
Approximate area of tenants likely seeking to remain in business*	4088	43,997
Maximum area of interest to existing tenants seeking to return to PR new development**	1610	17,324
Minimum area required elsewhere in the Town Centre**	2478	26,673

\*Excludes unknown areas

\*\*Exact areas will depend on final decisions as to whether relocations are permanent, or temporary prior to returning to the new PRSC Development, which will be subject to the availability of suitable space for individual retailers

## 6.0 Approach

34. This Strategy is focussed on supporting existing occupiers find alternative accommodation within Nelson town centre so that they can maintain continuity of trade while the regeneration phases are carried out or indefinite relocation is secured. PBC acknowledges that the Strategy cannot guarantee a successful relocation, but a concerted effort is being made by PBC to give businesses an opportunity to relocate through the identification of potentially suitable and available premises within Nelson.
35. This Strategy is being implemented as PBC recognises that, whilst the redevelopment of Pendle Rise has the potential to deliver a significant number of benefits, bringing forward the redevelopment will require the temporary or permanent displacement of the businesses within the centre.
36. Wherever possible PBC is seeking to reach agreement with tenants in relation to relocation to keep their businesses open and trading in Nelson Town Centre. To do this PBC is working with its JV partner to utilise the available funding for relocation properties to acquire and/or secure premises which can offer suitable long and short term relocation options for existing PRSC tenants.

37. PBC intends to acquire interests by agreement wherever possible and will only use compulsory purchase powers if negotiated agreements cannot be reached and as a last resort.
38. However, following the Department for Communities and Local Government Guidance on Compulsory Purchase Process and the Crichel Down Rules (the "Guidance"), given the amount of time required to complete the compulsory purchase process, PBC is undertaking negotiations in parallel with initiating the formal procedure.

## **7.0 Engagement**

39. Extensive consultation was undertaken by consultants, Hatch, as part of their commission to create the business case for the Town Deal Fund. This formed the basis of the business cases for the Town Deal – in particular, Revitalised Nelson. Please see Appendix 4 for the consultation report.
40. The importance of public consultation is reflected in both national and local planning policy and further to the Town Deal consultation, which helped inform the Pendle Rise proposals, further consultation was an essential element of the planning process. This engaged with local communities, stakeholders, groups, and organisations and shaped the fine details of the proposal so that the final planning application took into account, as far as is appropriate and possible, local views and opinions.
41. It was agreed that an online consultation was the most suitable method, to follow the extensive consultation and in-person stakeholder events that have already taken place on the wider Nelson Masterplan in recent years. As part of the engagement for Pendle Rise, all tenants of PRSC were contacted during the planning application phase. Tenants were also consulted during the Town Centre Investment Plan stage (i.e. the stage when PBC was bidding for its Town Deal Funding in 2019) and as part of the Nelson Masterplan Consultation in 2019.
42. As a result of the planning application consultation, a total of 6 smaller units have been included on the indicative layout (alongside the food store and 3 larger retail units). These could cater for the smaller retailers who wish to be relocated on the development. The mix of different unit sizes will provide variety and interest and help the development to blend in with the mixed character of the wider Town Centre.
43. There have been discussions with larger brands to occupy the larger retail units, and the scheme has been designed to meet modern operator requirements to attract a mix of national brands and independent businesses.
44. The proposed development will include outdoor amenity spaces to cater for visitors to the site. This will include for spaces to socialise and rest.

45. The proposals have been designed to be flexible to allow a range of retail and leisure uses to occupy the proposed units, subject to operator interest. As a result, the scheme could deliver a coffee shop, restaurant, gym etc.
46. Following acquisition of PRSC, after which PBC was able to get more detailed tenant information, further ongoing dialogue started immediately with PRSC tenants with every tenant met within two weeks of the change of ownership. Further detail of the approach to engaging with tenants and understanding their future needs and wants is provided in the next section, Section 8.0.

## **8.0 Relocation of Tenants**

47. PBC has been trying to acquire the freehold and long leasehold interests in the Shopping Centre for a number of years, and a resolution to progress this by CPO if necessary was made on the 26<sup>th</sup> May (Appendix 5) and 25<sup>th</sup> August 2022 (Appendix 6). The former owner of the Shopping Centre significantly hindered PBC in being able to ascertain a full list of property interests, and was ultimately prosecuted in respect of this. PBC sent statutory requisitions under section 16 to units in the shopping centre in August 2022, and has since 2022 been meeting with the occupiers it has been able to engage with to explain its proposals for the shopping centre redevelopment
48. As part of the identification process to offer potential relocation space to existing Pendle Rise occupants, PBC has worked to identify appropriate retail space in the immediate vicinity of 500m from Pendle Rise Shopping Centre.
49. Initial research into available premises in the Town Centre within 500m of PRSC was undertaken in October 2023. This aimed to establish the number and type of properties available. The availability of properties is being constantly monitored.
50. The Guidance on Compulsory Purchase Process and The Crichel Down Rules - July 2019, recognises that the CPO process can cause anxiety for those affected and that providing advice and assistance to affected occupiers in respect of their relocation, together with details of available relocation properties where appropriate can assist.
51. PBC has given due regard to Paragraph 19 of the Guidance ("What other steps should be considered to help those affected by a compulsory purchase order?") which shows best practice in negotiation matters by Councils to be:
  - providing full information from the outset about what the compulsory purchase process involves, the rights and duties of those affected and an indicative timetable of events; information should be in a format accessible to all those affected
  - appointing a specified case manager during the preparatory stage to whom those with concerns about the proposed acquisition can have easy and direct access

- keeping any delay to a minimum by completing the statutory process as quickly as possible and taking every care to ensure that the compulsory purchase order is made correctly and under the terms of the most appropriate enabling power
  - offering to alleviate concerns about future compensation entitlement by entering into agreements about the minimum level of compensation which would be payable if the acquisition goes ahead (not excluding the claimant's future right to refer the matter to the Upper Tribunal (Lands Chamber))
  - offering advice and assistance to affected occupiers in respect of their relocation and providing details of available relocation properties where appropriate
  - providing a 'not before' date, confirming that acquisition will not take place before a certain time
  - where appropriate, give consideration to funding landowners' reasonable costs of negotiation or other costs and expenses likely to be incurred in advance of the process of acquisition
52. In this respect, a series of meetings has been held by a nominated named PBC Officer with PRSC tenants to provide them with information about the compulsory purchase process, including the rights and responsibilities of those involved, and an approximate timetable of events.
53. Tenants with concerns about the proposed acquisition can easily and directly access the named contact through mobile, council lines, email and are invited to drop into No. 1 Market Street (Council Offices) for face-to-face meetings if needed.
54. PBC has taken significant steps to expedite the statutory process and has engaged the services of Axis Property Consultancy LLP and Eversheds Sunderland to ensure that the Compulsory Purchase Order (CPO) is executed correctly and in accordance with the most suitable enabling power.
55. Discussions are currently being held with tenants around compensation entitlement and the relocation team are available to alleviate concerns around the matter. PBC are dedicated to ensuring tenants receive rightful compensation, if that is the path they choose, by entering into agreements about the minimum level of compensation which would be payable if the acquisition goes ahead.
56. If financial compensation is not the appropriate solution for the tenant, for example those keen to relocate, the relocation team are working with these tenants and providing guidance and assistance for their relocation. Details of available properties for relocation have been provided when suitable. In these cases, suitable compensation for disturbance costs will be met.
57. Additionally, PBC is taking further steps through the relocation fund from the Town Deal by working with its joint venture partner to acquire properties in the town centre, refurbishing them, and offering them to tenants as temporary or permanent spaces (more information about this can be found in section 11.)

58. PBC met the previous owners' reasonable cost of negotiation and other costs and expenses incurred during the process of acquisition of the PRSC Freehold and where appropriate will continue to give consideration to doing so in relation to negotiations with remaining tenants and in the discharge of other registered interests in the property.
59. This Strategy aims to work with tenants and prepare them for change; be this in terms of relocation (i.e. communicating the move to their client base, developing methods to stay in contact with their client base and/or marketing to a new client base) or, should they wish and subject to entitlement, extinguishment.
60. Therefore PBC has had regard to the Guidance when engaging with businesses and this Strategy aims to work with those Businesses affected by the Order to:
  - (a) assist in identifying relocation options in a way that best meets their needs and minimises disruption to trading.
  - (b) retain the Businesses within the borough and, if possible, within proximity to the Shopping Centre and the community that they serve (if this is their preference); and
  - (c) prepare for change; be this in terms of relocation (i.e. communicating the move to their client base, developing methods to stay in contact with their client base and/or marketing to a new client base) or, should they wish, extinguishment.
61. Meetings with tenants were held through 2022 by officers of the PBC regeneration team at the time.
62. Efforts to reach tenants and establish exact tenancy information were handicapped by the previous owner's failure to respond to requests for tenancy information including multiple statutory requisitions for information.
63. However, some tenants did respond and were also invited to attend face to face meetings with officers in 2023, where updates as the Council's position and intentions were outlined to four independent retailers who accepted the Invitation.
64. One leading independent retailer was invited onto the Town Deal Board in mid 2024 to ensure that a retailer's representative was fully appraised of the current situation on a bi-monthly basis. At the same time PBC's joint venture partner was in regular contact with representatives from national retailers.
65. Once PBC became owners of the centre, within 2 weeks of acquiring the centre each tenant had been met with to update them with the Council's intentions 2-3 months before the Executive Committee meeting of 19th September to reach decision on making the CPO.
66. This dialogue also extended to their future needs. Each business was advised as to the proposals, approximate timescales and the support available for each explained.

However, these meetings have been the start of an ongoing dialogue between PBC and each tenant to ensure information is constantly relayed and updated in a two-way process.

67. Initial meetings communicated the following consistent simple messages intended to reassure tenants:

*'The plan is for demolition within 18 months - but in the short term our aim is for Pendle Rise to remain open as a shopping centre.'*

*'We are here to work with and support Pendle Rise retailers through this unsettling time. We will work to find new shop units for those traders who want to continue in the town.'*

*'We aim to make sure, wherever possible, that retailers who want to stay in Nelson can. We can help with relocation to new premises in the town and the council has resources available to support this process.'*

*'Our aim is to make sure all traders who want to continue in Nelson are in their new positions within 12 months.'*

*'We want to listen to retailers' concerns and find out how you'd like things to be sorted out for your business.'*

*'Those retailers who want to close their business in Nelson, will be compensated. The exact amount will depend on individual circumstances and/or statutory compensation codes associated with compulsory purchase orders.'*

68. The meetings were also used to begin gathering information regarding relocation, with initial answers to the following questions sought during the conversations:

*'How long have you had your business in Nelson?'*

*'Was that in a shop in town, in the downstairs Nelson market or the outside Nelson Market? Or in Pendle Rise?'*

*'How long have you been operating in Pendle Rise?'*

*'Would you like to stay in business in Nelson or do you think you'd rather wrap up your business now and close your business?'*

*'Do you see this as coming back into the new Pendle Rise, as there will a small number of outlets suitable for local independent retailers, or relocating to somewhere else in the Town Centre? Temporary relocation may be possible – but obviously it will involve moving twice – would that work for you?'*

*'If you are seeing this as an opportunity to exit the business, when would you look to do this?'*

*'To help us look for relocation options - have you looked into where you might like to be located in the town and what size of premises do you need? Any other requirements?'*

*'Do you have any Questions or concerns you'd like to flag?'*

69. Tenants have been provided with contact details for a specific named individual contact at PBC. Their role is to enable real-time ongoing dialogue, through which advice can be offered to those affected, and progress on relocations can be made to include populating a matrix of tenants needs to inform the acquisition of suitable relocation properties.
70. It is the intention of PBC to foster a rolling dialogue with Tenants through regular visits to the centre, via e-mails and telephone calls and one to one meetings in person as required.
71. This dialogue will enable PBC Officers to fully understand the requirements and circumstances of individual Businesses to be understood, amended, acted upon and updated as the Relocation and CPO processes progress:
72. These discussions with affected businesses will therefore help PBC better understand their circumstances and ensure that the relocation proposals will, as far as possible, meet their ongoing needs and accommodation requirements.
73. This will include gaining an understanding of the individual floor space requirements, rent, location and planning use class requirements of tenants. Based on the specific preference relating to relocation property size, nature, facilities and location within the Town Centre, this will link to data on suitable, available commercial units within Nelson's boundary.
74. The search for suitable, available premises is being conducted on an ongoing basis by PBC and its joint venture partner Penbrook Developments Limited using local knowledge and networks and supplemented via online portals such as Rightmove and Zoopla. Details on the acquisition strategy are contained in Section 11.0.

### **8.1 Relocation, Telecommunications and Utilities**

75. There are three telecommunications operators, covering four telecommunication installations which are located on the roof of Phoenix Chambers, which forms the Eastern edge of the shopping centre complex. They are:

- MBNL (Orange/EE)
  - Cornerstone
  - Airwaves
76. Each operator has returned a completed Section 16 land information request and initial engagement has resulted in relocation discussions starting in advance of the commencement of formal Compulsory Purchase Order proceedings.
77. Each of the three operators has agreed to undertake relocation searches and PBC has given undertakings in respect of reasonable fees to cover the cost of these searches. PBC is planning on serving notice under their lease terms, however we aim to work with the operators to facilitate relocation by agreement.
78. Efforts are being made to engage with the owner and operator of the electrical sub-station.

## **9.0 Relocation– Next Steps**

79. CPO powers are being promoted, to ensure there are no insurmountable obstacles to progress. However, it is PBC's firm preference to secure vacant possession by agreement through direct negotiations, or through estate management means as lease terms expire or by the service of break notices. These options are being discussed with tenants with a view to achieving vacant possession so demolition and the subsequent redevelopment can progress. It is hoped that implementation of compulsory purchase powers (if granted) will not be necessary, but unless and until PBC has the certainty that vacant possession can be achieved it is necessary to pursue compulsory purchase powers in parallel.
80. PBC had recruited Beddows (BPL) in advance of acquisition to manage the centre on their behalf. Despite significant challenges with its condition, BPL have enabled the shopping centre to be kept open and immediate issues have been mitigated and/or resolved.
81. BPL have been instructed to immediately start work on a rolling programme of stripping out, decommissioning and delisting empty spaces within PRSC to ensure that progress towards demolition starts as soon as possible, while the centre is kept open for business. But the shopping centre is being kept open as long as PBC is practically able to, to give occupiers the best chance of finding suitable relocation premises.
82. This decommissioning programme of vacant units is being linked in real time with the Relocation Properties programme, to realise the potential for early relocation of those who wish to relocate. The vacated units of relocated tenants will feed back into the rolling programme of decommissioning, as they are become empty and ready for processing.

83. To implement this Strategy going forward, PBC will continue to engage proactively and constructively with Tenants in respect of their future needs with respect to relocation by:
- continuing to assess Tenants' needs through formal and informal meetings/1-2-1s and maintaining a continuing dialogue with all those affected.
  - on an ongoing basis, produce assessments of current alternative sites.
  - do everything possible to facilitate relocation where required in advance of the CPO being made and in the event the CPO is made (and confirmed) prior to relocation, seek to ensure that the lead-in times in respect of the formal CPO acquisition of land / rights will allow the Tenants sufficient time to relocate.
  - Ensure Tenants are actively involved in relocation planning and will receive advanced warning of when they might need to relocate, and a 'not before' date is given.
  - keep Tenants informed of the CPO Scheme and the compensation regime, ensuring all questions and queries are answered satisfactorily.

## **10.0 Compensation**

84. Where appropriate, businesses displaced by the Proposed Scheme will be compensated under the rules and guidelines established in case law and statute that govern compensation for compulsory acquisition ("the Compensation Code") and in line with Department for Levelling Up Housing and Communities guidelines published at [www.gov.uk/government/collections/compulsory-purchase-system-guidance](https://www.gov.uk/government/collections/compulsory-purchase-system-guidance).
85. Where businesses are displaced from their existing premises by compulsory purchase of those premises for public works, the Compensation Code recognises the importance to those businesses of being able to relocate to another site. In addition to payment of the open market value of the interest in the land acquired compulsorily, the Compensation Code normally provides for the cost of such relocation to be considered under the heading of disturbance compensation.

## **11.0 Strategy – Acquisition of Relocation Properties**

86. At the meeting of the Town Deal Board of 10th November 2023, the application of Town Deal Funds to acquire properties to support the relocation of current tenants in PRSC was agreed. Decisions of which relocation properties to purchase and rent were delegated to the PBC Director of Place, within financial limits, to approve and progress such transactions as and when suitable premises are identified for satisfying relocation needs. This allows for a fast moving and dynamic relocation process.
87. A budget for securing relocation properties was referenced in the original Nelson Town Deal bid with £1,360,000 of Town Deal funding allocated to secure relocation properties, with £3,307,500 of match funding coming from PBC's JV partner Penbrook Development Limited.

88. The financial mechanism to achieve this involves PenBrook Developments Ltd (Penbrook) funding the acquisition of the premises and undertaking the targeted refurbishment at its cost. This will be achieved by the 90:10 shareholding structure the JV partners, Brookhouse Developments Limited and PBC respectively.
89. Suitable premises identified will be acquired and refurbished by Brookhouse, then let to PBC so that they can then be sublet to relocated tenant as and when appropriate to achieve vacant possession of the shopping centre.
90. These Leasehold arrangements are structured to allow for the capitalisation of advance long-term rental payment enabling Town Deal Funds to provide for PBC to have full control of the premises and the ability to sublet to tenants seeking relocation.
91. This approach and supporting mechanism provides for a clear funded strategy for Relocation Properties. It provides for fully funded and credible arrangements to minimise the impact on tenants (displaced retailers) currently housed within PRSC
92. These arrangements will help to maintain retailers within Nelson town centre and will also minimise compensation for business closures and reduce exposure to claims for temporary or permanent business losses through the compensation code.
93. By securing relocation premises key retailers will be retained within the town and help to improve the retail mix in the town centre. Utilising available premises as relocation properties will also fill voids in the town centre and in so doing help improve the quality of the town centre building stock by reinvesting into these premises prior to reletting and reducing the current high vacancy levels.
94. These processes will all contribute to the attractiveness of the town centre for residents and shoppers. This also provides tangible evidence of commitment to the town centre and in turn starts to address the economic failure issue as greater competition develops for available space in the town centre, making town centre investment more viable into the future.
95. Tangible results of the strategy for acquisition are already in place with the purchase of the former Althams Travel Agents building at 1/3 Scotland Road – a key retail location opposite Pendle Rise - completed in early 2024. The property next door at 5/7 Scotland Road is in the process of being acquired with completion due 21 August 2024.
96. This strategy is a highly visible demonstration of the commitment of Pendle Borough Council and Penbrook Developments Limited to invest in the Town Centre and support its retailers.

### 11.1 Allocation of Relocation Properties

97. As outlined in this strategy PBC is committed to support the relocation of retailers to new premises within the town centre of Nelson wherever possible.
98. To enable this PBC has sought to engage with retailers and provide advice and assistance against the backdrop of a fully funded programme of acquisition of properties for relocation. This approach is being carried out in full cognisance of human rights and protected characteristics (see Section 12.0)
99. This does not lose sight of the fact that the tenant must work with PBC on relocation too and it is ultimately their responsibility to pursue properties and make final arrangements for relocation accordingly. However, PBC is acting pro-actively and offering assistance in what may be considered an enabling process.
100. In doing this PBC intend to be clear on the basis on which tenants will be matched with various relocation properties acquired for the purpose. As outlined in Section 11.0, a fully funded mechanism has been put in place to acquire properties for relocation, however where necessary and if appropriate, PBC will also look at leasing and sub-leasing suitable premises.
101. PBC will draw up a list of potentially-available properties (i.e. an "availability list") which will set out:
  - The property address
  - Size of unit and accommodation (No. floors etc)
  - Use Class
  - Quoting rent & deposit requirement
  - Other occupational costs (e.g. service charge and rates liability, if known).
102. This list will include both properties under control of the PBC and other properties on the market that may be able to be leased and sub-let by PBC, as well as those available for leasing from private landlords. The list shall be regularly updated and circulated. For properties in third-party control, it shall provide contact details.
103. Once any refurbishment on acquired properties is complete and units are determined to be ready for occupation, available units will be offered on a "first come first served" basis subject to satisfying the criteria such as:-
  - Credit Check
  - Provision of three years P&L Accounts for review (to check on trading history and whether there is a sustainable business)
  - Guarantor
  - Agreement of Lease Terms
  - Compliance with Use Class (or willingness to apply for a change of Use Class planning consent, if required)

104. Where there are competing tenants who each satisfy the required criteria, the final decision on which tenant obtains the premises will be based on the availability of suitable alternatives (those with large or specific relocation criteria which a particular premises satisfies, may be prioritised over those retailers whose basic needs a number of properties will satisfy) for a particular retailer and “best and final offers” i.e. a tenant offer for the rent they are willing to pay and the lease terms they are willing to sign up to.
105. This approach represents a fair and even approach and optimises the opportunities for all those who wish to relocate to obtain a satisfactory outcome. In respect of those that are not relocated in the redeveloped shopping centre or in another property under the control of PBC, the steps and support outlined in sections 8 and 9 of this Strategy will continue to be followed and remain in place, in order to try to relocate by agreement and ensure that the usage of CPO powers is a last resort.

## **12.0 Equalities Impact Assessment**

106. In developing this Relocation Strategy, PBC has taken into account the rights of the property owners under the European Convention for the Protection of Human Rights and Fundamental Freedoms 1950 ('the Convention'), in particular Article 1 of the First Protocol (right to private property).
107. PBC contends that it is in the public interest for the proposed redevelopment of the Shopping Centre to proceed. The land which is the subject of the Order represents the minimum amount of land reasonably required to carry out the proposed redevelopment.
108. PBC considers that this measure does not have an excessive or disproportionate effect on the interests of the persons affected. The interests of those impacted shall be properly compensated in accordance with the statutory compensation code.
109. PBC is satisfied that the extent of the powers sought in the Order strikes a fair balance between the legitimate aims of PBC and the affected persons' Convention rights.
110. PBC has taken account of its duties under section 149 of the Equality Act 2010 and is satisfied that the promotion of the Order shall not disadvantage any individual or group with protected characteristics, or otherwise be the cause of any direct or indirect discrimination within the community.
111. A full Equalities Impact Assessment (EqIA) has been commissioned for this strategy to ensure that PBC is discharging its duties in full. The EqIA is available as an accompanying document to this strategy.

### **13.00 Appendices**

Appendix 1 – Plans for the Future Development 2024

Appendix 2 – The Draft CPO Plan 2024

Appendix 3 – Planning Permission reference 23/0268/FUL dated 11th September 2023

Planning Statement accompanying the application

Statement of Community Involvement

Appendix 4 – Hatch Consultation Document