

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: EXECUTIVE

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LOMESHAYE INDUSTRIAL ESTATE PHASE 1 EXTENSION

PURPOSE OF REPORT

To agree that payments for the various parcels of land required to support the development of the Lomeshaye Industrial Estate Phase 1 Extension, are based on compensation as if a Compulsory Purchase Order was in place, and to seek approval to begin initial steps towards the preparation of a Compulsory Purchase Order.

RECOMMENDATIONS

The Executive is asked to:

- (1) To agree that the necessary land to deliver the Phase 1 extension acquired through negotiation, is based on compensation as if a Compulsory Purchase Order was in place.
- (2) To authorise initial steps to prepare a Compulsory Purchase Order for the Phase 1 Extension site.

REASON FOR RECOMMENDATIONS

To bring forward the first phase of the Strategic Employment Site identified in Pendle's Local Plan.

1. A Site as an extension to Lomeshaye Industrial Estate was identified as the Council's Strategic Employment Site in Pendle's Local Plan Part 1 - Core Strategy, adopted by the Council in 2015.

2. A first phase of this extension (forming the southern part of the Site) is currently being planned. The development of this Phase 1 extension has been the subject of various funding bids to Lancashire County Council (for which funds have been secured in principle) and European ESIF funding. A funding allocation in the Council's Capital Programme 2017/18 has also been agreed to support the Lomeshaye Extension by full Council on 20 July 2017. A previous report to the Executive on 22 June 2017 and subsequently the full Council in July set out the funding position for delivering the Phase 1 scheme, as well as the overall Estate extension.
2. The Phase 1 site is currently in a number of different private ownerships and will need to be assembled and brought into one ownership to enable its development to be taken forward.
3. A planning application for Phase 1 of the site is to be submitted and in support of this an illustrative masterplan for the Phase 1 site has been prepared.
4. The land is mainly agricultural grazing land, but at the proposed access point into the site from Churchill Way there is an existing lorry park and industrial site. The majority of the land is in the freehold ownership of private owners. However, the land required for creating the first section of road is in the Council's freehold interest, but there are some leasehold interests which will need to be acquired.
5. Discussions have been held with the various owners regarding the Council's plans to create this new employment site and the need to acquire their interests (both freehold and leasehold) to bring it forward. The Strategic Director has previously been granted delegated authority to acquire the various interests in the Phase 1 site at an independently assessed value and negotiations with the owners are currently taking place.
6. In order to support these negotiations with the owners to acquire, approval is now being sought from the Executive to pay the compensation that would have been paid if the interests in the land were being acquired under a Compulsory Purchase Order.
7. If we are successful with obtaining the ESIF funding it will be important to assemble the Phase 1 site quickly. It is also important to give confidence to Lancashire County Council as one of the funders of the scheme and to meet their deadline for drawing down the funding. Without full assembly of the Phase 1 site, implementation of the scheme will be very difficult.
8. Approval is therefore sought to begin the initial steps to prepare a Compulsory Purchase Order. A further report seeking authority to promote a CPO, if the land cannot be acquired by negotiation, would be brought to the Executive at an appropriate time.
9. The extent of the land required to facilitate the Phase 1 Extension is shown on the attached plan (Appendix 1), but the exact extent of the land is still being defined so it may change.
10. The full range of interests in this land would need to be established through the serving of Section 16 Notices.

IMPLICATIONS

Policy: The extension to Lomeshaye is designated as a Strategic Employment site in Pendle's approved Local Plan Part 1 – Core Strategy.

Financial: To implement the Phase 1 scheme funding of £1.5M has been secured in principle from Lancashire County Council and match funding has been allocated in the Council's Capital programme 2017/18. ESIF funding has been bid for. If Pendle made the CPO we would still be obliged to buy in the land and pay compensation even if funding was withdrawn.

Legal: The land could only be acquired at their market value unless authorisation by the Executive is given to pay additional CPO compensation.

Risk Management: There is a risk that the land cannot be acquired by agreement so it is necessary to prepare a Compulsory Purchase Order, so as not to lose the funding from LCC, and the ESIF fund (if secured).

Health and Safety: None directly arising from this report

Sustainability: The ESIF funding would enhance the sustainability of the scheme by improving biodiversity and encouraging walking and cycling

Community Safety: None directly arising from this report

Equality and Diversity: None directly arising from this report

APPENDICES

Appendix 1- Lomeshaye Industrial Estate Phase 1 Extension - Land to be acquired

LIST OF BACKGROUND PAPERS

Reports to Executive 22 June 2017 and full Council 20 July 2017 (Lomeshaye Industrial Estate Extension)