

**REPORT FROM:** HOUSING, HEALTH AND ECONOMIC DEVELOPMENT  
SERVICES MANAGER

**TO:** EXECUTIVE

**DATE** 14<sup>th</sup> DECEMBER, 2017

**Report Author:** Judith Stockton  
**Tel. No:** 01282 661040  
**E-mail:** [judith.stockton@pendle.gov.uk](mailto:judith.stockton@pendle.gov.uk)

**THE BOROUGH OF PENDLE (LOMESHAYE INDUSTRIAL ESTATE  
EXTENSION, PHASE 1) COMPULSORY PURCHASE ORDER 2018**

**PURPOSE OF REPORT**

The purpose of this report is to request the Executive to pass a resolution that would allow the Council to promote a compulsory purchase order to acquire land adjoining the Lomeshaye Industrial Estate at Brierfield. This would facilitate the first phase of the proposed extension to the Industrial Estate, thereby safeguarding or creating an additional 400-500 jobs.

**RECOMMENDATIONS**

It is hereby recommended that the Executive pass the following resolution:

- (1) To Make THE BOROUGH OF PENDLE (LOMESHAYE INDUSTRIAL ESTATE EXTENSION, PHASE 1) COMPULSORY PURCHASE ORDER 2018 under Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended by section 99 of the Planning and Compulsory Purchase Act 2004 and the Acquisition of Land Act 1981 (as amended)) for the acquisition of all interests in land and premises described in this report and on the site shown edged blacked on the Map in Appendix 1 to this report in order to deliver the first phase of the extension of the Lomeshaye Industrial Estate. The acquisition should enable the development redevelopment and improvement of the Lomeshaye Industrial Estate through enabling further industrial units to be developed on the site in the expectation that such action will improve the social, economic and environmental wellbeing of the area.
- (2) To approve the draft Statement of Reasons annexed to this Report and to authorise appropriate officers to make any amendments they consider reasonably necessary before submission of the Order to the Secretary of State.
- (3) To authorise appropriate officers of the Council to take any necessary steps to prepare the documentation required to make The Borough of Pendle (Lomeshaye Industrial

Estate Extension, Phase 1) Compulsory Purchase Order 2018 under Section 226(1)(a) of the Town and Country Act 1990 (as amended by section 99 of the Planning and Compulsory Purchase Act 2004 and the Acquisition of Land Act 1981 (as amended).

- (4) To authorise officers of the Council to take any such steps as may be required to promote with a view to securing the confirmation and subsequent implementation of the above aforementioned Order, such steps are to include but not be exclusive to the following:-
- Affixing the Common Seal of the Council to the Compulsory Purchase Order and Map.
  - the issue and service of all statutory notices.
  - the submission of all necessary documentation to the Secretary of State for Communities and Local Government in seeking to obtain confirmation of the Order.
  - continuing negotiations and approving agreements with land owners setting out the terms for the acquisition of their interests, as if a confirmed Compulsory Purchase Order had been in place.
  - agreeing in advance the withdrawal of objections to the Compulsory Purchase Order (where appropriate).
  - the presentation of the Council's case at any public inquiry or through written representations if this is appropriate.
  - representation of the Council's case at Parliament should Special Parliamentary Procedure be invoked as part of the confirmation process.
  - to make and affix the Common Seal of the Council to a General Vesting Declaration in respect of any part of the Order Land and to issue and serve any statutory notices relating thereto.
  - representation of the Council's case on compensation matters connected with this Compulsory Purchase Order to the Upper Tribunal (Lands Chamber).

## **REASON FOR RECOMMENDATIONS**

To make a Compulsory Purchase Order to be known as 'THE BOROUGH OF PENDLE (LOMESHAYE INDUSTRIAL ESTATE PHASE 1, EXTENSION) COMPULSORY PURCHASE ORDER 2018'. This shall facilitate the first phase of the proposed extension of the Lomeshaye Industrial Estate. In so doing, it shall implement policies within the adopted Core Strategy, facilitate economic development and deliver corporate objectives. The recommendation shall also allow Officers to take all necessary steps to promote and seek confirmation of the compulsory purchase order.

## **Background**

1. The Borough of Pendle (Lomeshaye Industrial Estate Extension, Phase 1) Compulsory Purchase Order 2018 ('the Order') relates to land located within M65 Burnley/Pendle Corridor. The Order Land is adjacent to the Lomeshaye Industrial Estate and extends to 10.28 hectares (See Appendix 1). The matter was considered by the Executive on 22nd June 2017 when it was resolved that £1.5m of capital funding would be provided for phase 1 of the project from the 2017/2018 Capital Programme (on the basis that match funding of the same was provided by Lancashire County Council) and again on 24th August 2017 when it was resolved that payments for the voluntary acquisition of interests in the site should be made on the same basis as if a confirmed CPO was in place.
2. The Order Land which is presently in agricultural use, is in a variety of different ownerships (see paragraph 5 below). The Council is seeking to promote the Order so that the site may

be assembled, thereby allowing the Council to execute a range of environmental, utilities and other works on the site using public funding, so that the site is made ready for future development. There is a draft master plan in place for the site and on that basis it is considered that five industrial units could be accommodated on the site. The present Lomeshaye Industrial Estate operates at near full capacity and there is demand for businesses to locate within the Industrial Estate.

3. The Core Strategy 2011-2030 (adopted by the Council in December 2015) allocates the extension of the Lomeshaye Industrial Estate as a Strategic Employment Site. The existing Estate presently houses over 100 businesses and employs 3,500-4,000 people. It is a key employment site for the Brierfield/Nelson area and beyond. It is attractive to firms wishing to locate to the borough, partly because of the ready supply of labour within the M65 Burnley/Pendle Corridor and partly because of the good connectivity to the motorway network that the M65 provides. It is anticipated that the proposed phase 1 extension alone would either safeguard or create between 400 and 500 jobs.
4. The Order Land comprises 8 plots and these are held by 7 owners (including Pendle Borough Council). The interests are detailed in the schedule to the Order. The Council has been actively pursuing the acquisition of outstanding interests within the site. Negotiations are progressing with the owners but if any of the interests prove difficult to acquire that will impede development if not acquired within realistic timescales. The owners who are affected are being offered compensation at open market value under the statutory code for their interest in land, and being offered compensation, as if a CPO was in place, which includes legal costs and disturbance payments. Negotiations will continue with the owners throughout the process to acquire outstanding interests by agreement.
5. In the event of a failure to acquire the Order Land, it would not prove possible to assemble the site and carry out the required infrastructure works using public funding, to enable it to be developed. This would mean a failure to deliver not only on Core Strategy Policy WRK3 'Strategic Employment Site: Lomeshaye' (which allocated the extension of the industrial estate as a Strategic Employment Site) but also a failure to make a Pendle contribution to job growth targets as set out in the Lancashire Growth Deal 2015-2021 and a failure to deliver key corporate objectives for the borough, as set out in the 'Our Pendle Our Future: Pendle's Sustainable Community Strategy (2003-2018), the Borough of Pendle Strategic Plan (2015-2018) and the Vision 2030 set out in the Core Strategy 2011-2030. The recommendation would enable the Council to promote a CPO to acquire all legal interests in the Order Land and would enable the safeguarding or creation of between 400 and 500 jobs for phase 1 alone.

### **The Compulsory Purchase Order and Draft Statement of Reasons**

6. A strict statutory process must be followed to promote a compulsory purchase order, involving public notice and submission to the Secretary of State for confirmation. Before an order is confirmed, any interested party may make representations and the Secretary of State is likely to order that any objections are heard at a public inquiry, in the event that objections are made and not withdrawn.
7. For an order to be confirmed by the Secretary of State, the Council must make a compelling case in the public interest. Officers consider that the promotion of the Order makes such a case because it would enable the delivery of the Phase 1 extension to the Lomeshaye Industrial Estate, which would be calculated to deliver jobs and improve the social economic and environmental wellbeing of the area. The Council's case is more specifically set out in the Draft Statement of Reasons (Appendix 2) annexed hereto, but a brief outline is set out below.

8. The Draft Statement of Reasons has been prepared in accordance with the latest Guidance from the Department for Communities and Local Government published in 2015.
9. The case for the Council is in three main areas. First, the case for promoting the Order is in accordance with the Strategic Planning Framework. This enables the Council to promote the Order under section 226(1) of the Town and Country Planning Act 1990 (as amended). This is to say that the proposals accord with the National Planning Policy Framework (2012) as well as the Core Strategy 2011-2030, in particular but not exclusive to Policy WRK3 'Lomeshaye: Strategic Employment Site'. Taken together the policies contained therein encourage economic development generally and specifically allocate the proposed extension of the Lomeshaye Industrial Estate as a site suitable for such development. An outline planning application for the Phase One area has been prepared and submitted by Liberata on behalf of the Council.
10. Second, the case for promoting the Order is designed to advance economic development. The proposals give effect to the strategies set out by the Lancashire Enterprise Partnership in the Lancashire Strategic Economic Plan 2015-2025 and the Lancashire Growth Deal 2015-2021. It also reflects the aspirations set out in the Jobs and Growth Strategy for Pendle 2013-2023. Taken together, these strategies are designed to boost economic growth within the borough and increase the number and quality of jobs created. It is recognised that Pendle needs to be able to accommodate both new and expanding firms - those that wish to relocate within the borough and those that are attracted to it from outside. It therefore needs to be able to offer industrial space of such size and quality that is well connected to both sources of labour and businesses. The M65 Burnley/Pendle Corridor which contains the Lomeshaye Industrial Estate offers these advantages. The Lomeshaye Industrial Estate is operating at virtually full capacity, whilst other employment sites in the borough such as White Walls, Riverside and West Craven Business Park are in a similar position.
11. Officers are of the opinion that any proposition that involved just assembling the site and carrying out the necessary infrastructure works, would not offer a viable proposition for the private sector to be attracted to. The involvement of the Council (working in partnership with others) is therefore necessary to bring this about. This is underlined by the fact that the exercise of CPO powers is likely to be necessary in order to deliver a timely assembly of the site. This would allow the use of public funding (Lancashire County Council contributing £1.5m and Pendle BC contributing £1.5m (both secured), together with £570,000 of potential funding from the European Structural Investment Fund (not yet secured) to carry out the necessary infrastructure works enabling a packaged site to be brought forward for development at the earliest possible opportunity, thereby meeting funding deadlines and maximising the benefits of economic growth to the local community at the earliest possible opportunity.
12. Third, the case for promoting the Order delivers on key corporate goals for Pendle as set out in the 'Our Pendle Our Future: Sustainable Community Strategy' (2003-2018), the Borough of Pendle Strategic Plan (2015-2018) and Vision 2030 as contained in the Core Strategy. These centre around improving employment opportunities for the people of Pendle and maximising the chance for the community to benefit from improved economic growth.
13. On the basis of the above, the Executive is recommended to pass the appropriate resolution enabling a Compulsory Purchase Order to be promoted by the Council, as set out in the recommendation herein.

## **IMPLICATIONS**

**Policy:** The proposals are in accordance with the current regeneration, economic growth, and planning policies adopted by the Council.

**Financial:** The financial risk to the Council will be controlled through existing policy and procedures. Provision has been made in the Council's Capital programme 2017/18 to meet the costs of buying the outstanding interests in the Order Land.

**Legal:** The CPO will be managed and processed in accordance with Compulsory Purchase legislation and guidance.

**Risk Management:** Risk management would be controlled through the Council's existing procedures.

**Health and Safety:** All health and safety requirements will be observed throughout the scheme.

**Sustainability:** The Order will allow the first phase of the Lomeshaye Industrial Estate extension to be comprehensively developed, which will support economic growth and the long term sustainability of Brierfield and Nelson, not least because the Industrial Estate operates as the main employment centre for these towns.

**Community Safety:** None as a result of this report.

**Equality and Diversity:** The Phase One extension of the Lomeshaye Industrial Estate will provide new employment opportunities for Pendle residents.

## **APPENDICES**

Appendix 1 - Map for the Compulsory Purchase Order

Appendix 2 - Draft Statement of Reasons

## **LIST OF BACKGROUND PAPERS**

Report to Executive: 22 June 2017 'Lomeshaye Industrial Estate Extension'

Report to the Executive: 24 August 2017 'Lomeshaye Industrial Estate Phase 1 Extension'