

REPORT FROM: CHIEF EXECUTIVE

TO: SPECIAL BUDGET POLICY AND RESOURCES
COMMITTEE

DATE: 11th February, 2021

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ACQUISITION OF 39/41 SCOTLAND ROAD, NELSON

PURPOSE OF REPORT

To seek approval to acquire 39/41 Scotland Road, Nelson.

RECOMMENDATION

This Committee is asked to approve the Council's acquisition of the above mentioned property by way of private treaty.

REASONS FOR RECOMMENDATION

1. To secure ownership for the Council to enable it to continue occupation and expand its existing operation of a youth and adult employment support hub from the premises.
2. To provide an opportunity to make use of additional space within the building for operational and storage use.

ISSUE

Background

1. 39/41 Scotland Road is a three storey, town centre, property acquired by Lancashire County Council (LCC) in 2001. The property was completely refurbished in 2002 to a very high standard and provided a base for LCC's Pendle based "Youth Information Service".
2. LCC relocated all services to the Bradley Hub around 2012 and the property remained vacant until the Council took a lease of the ground floor area in 2013 to operate an employment and youth apprenticeship service in partnership with Nelson and Colne College (N&CC) and more recently with Lancashire Adult Learning (LAL). This use has expanded in

recent years to provide additional employment support services and training on the first floor.

3. The Council receives funding from the Department of Work and Pension to operate the service and has secured additional funding to expand operations from the premises and carry out further improvements to the building.

Current position

4. The property was to be declared surplus by LCC as part of their disposal programme and the original lease was replaced with a Tenancy at Will which did not provide the Council with security of tenure and could have resulted in the Council and the College having to vacate the property.
5. Discussions were held between the Borough Council's and County Council's Chief Executives to allow the Borough Council to acquire the property by private treaty, subject to Committee Approval, without the need for LCC to offer the property to the open market. A price of £175,000 has been agreed between the parties.
6. Acquiring the property would provide security to the Council in terms of continued occupation and provision of services to the Community. Currently the Council occupies only part of the ground floor and part of the first floor with the remainder lying vacant, on the proviso that LCC could terminate the Tenancy at Will and reoccupy if it ever required to do so. Acquiring the property would allow the Council to make use of the remaining space and or offer it to other Community based organisations. It would also avoid the building potentially becoming vacant if the Borough Council decanted from the building and it be offered to the market and was unsold or not brought back into use.
7. In advance of submitting a Town Investment Plan the Council has recently received £750k Accelerated Funding from Ministry of Housing, Communities & Local Government to immediately fund capital projects that are in line with the Towns Fund intervention framework, to support jobs and economic recovery, resulting from the expanded service to be provided within. This funding can be used to acquire this building and similar properties requiring intervention by the Council to prevent further decline and allow for future redevelopment. The Towns Fund Accelerated Funding has to be spent by March 2021

IMPLICATIONS

Policy: None directly arising from this report

Financial: The cost of acquiring the property has been agreed at £175,000 (excluding SDLT – VAT is not payable) with Accelerated Funding.

Legal: The Borough Council to bear the reasonable costs of the County Council.

Risk Management: None that are considered applicable.

Health and Safety: None that are considered applicable.

Sustainability: Securing ongoing use and service provision by acquisition may assist with sustainability of this retail area by attracting new potential customers to this retail area and may result in a decrease in unemployment levels.

Community Safety: None that are considered applicable.

Equality and Diversity: None that are considered applicable.

APPENDICES Location plan.