



**REPORT FROM: HOUSING, HEALTH AND ENGINEERING SERVICES
MANAGER**

TO: POLICY AND RESOURCES COMMITTEE

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**THE BOROUGH OF PENDLE (PENDLE RISE SHOPPING CENTRE, NELSON)
COMPULSORY PURCHASE ORDER 2022**

PURPOSE OF REPORT

The purpose of this report is to request the Policy and Resources Committee to pass a resolution that would allow the Council to promote a compulsory purchase order to acquire Pendle Rise Shopping Centre in Nelson.

RECOMMENDATIONS

It is hereby recommended that the Policy and Resources Committee pass the following resolution:

- (1) To Make THE BOROUGH OF PENDLE (PENDLE RISE SHOPPING CENTRE, NELSON) COMPULSORY PURCHASE ORDER 2022 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 with a thick black line and coloured pink on the Map in Appendix 1 to this report in order to acquire ownership of the shopping centre and upon acquisition to procure the disposal and renovation thereof.
- (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 the Head of Legal Services to take any necessary steps to prepare the documentation required to make The Borough of Pendle (Pendle Rise Shopping Centre, Nelson) Compulsory Purchase Order 2022 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)).
- (4) To authorise the Head of Legal Services 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 Levelling Up, of Housing and Communities 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
 - 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 (PENDLE RISE SHOPPING CENTRE, NELSON) COMPULSORY PURCHASE ORDER 2022'. This shall enable the acquisition of Pendle Rise Shopping Centre with a view to securing redevelopment of the site with new shopping facilities in association with Joint Venture Partner (Brookhouse Group Ltd), forming a central part of the transformation of Nelson town centre.

Background

1. The Borough of Pendle (Pendle Rise Shopping Centre, Nelson) Compulsory Purchase Order 2022 ('the Order') relates to the Pendle Rise Shopping Centre comprising the retail units and other lands (with other uses) within the curtilage known as Pendle Rise Shopping Centre, Nelson ('the Order Land').
2. The freehold interest in the Order Land is held by Future Properties (First) Limited. In addition, there are numerous leasehold interests held in the various retail and other units that comprise the shopping centre.
3. The purpose of the proposed acquisition is to secure the development redevelopment or improvement of the area by demolition of the existing shopping centre and procuring a new build shopping centre on the same site in accordance with section 226 (1)(a) of the Town and Country Planning Act 1990 (as amended). The proposed redevelopment is intended to deliver widespread social, economic and environmental benefits to the Borough of Pendle, as well as being a platform for the transformation of Nelson town centre over the longer term.

4. The proposal is to acquire and clear the site with a view to disposing of it to PenBrook Ltd, the Council's Joint Venture Partnership with Brookhouse Group Ltd who will undertake the redevelopment.
5. The Council has attempted to acquire ownership of the Order Land by voluntary means, but this has not proved to be possible, and accordingly the CPO is promoted as a last resort.
6. The Council has secured £25m funding under the Nelson Town Deal, under which some £9.2m is earmarked for the Revitalised Nelson project, aimed at bringing vacant buildings within the town centre back into use. The necessary gap funding for the redevelopment of Pendle Rise in terms of land acquisition, clearance and disposal costs shall be met from these resources.
7. The redevelopment of Pendle Rise Shopping Centre delivers a key commitment of the Nelson Masterplan and meets the objectives and requirements of the Town Deal funding in accordance with the Nelson Town Investment Plan.
8. There is a requirement that all projects under the Nelson Town Deal are completed by the end of March 2026.
9. A planning application shall be made in due course, but it is anticipated that the proposed redevelopment would feature an energy efficient new building, car parking facilities with electric vehicle charging points and a strong retail offer together with appealing food and drinks options to incorporate outside dining space in order to promote social interaction and add to the vitality of the town centre.
10. On 26th May 2022, the Policy & Resources Committee considered and approved a report in connection with preliminary steps to be taken in connection with the proposed compulsory purchase order.

The Compulsory Purchase Order and Draft Statement of Reasons

11. 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.
12. 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 enables comprehensive redevelopment of the main shopping facility at the heart of Nelson town centre. The proposals are fully in accordance with the Strategic Planning Framework, as well as encouraging economic development and delivering key corporate objectives of the Council. The Council's case is more specifically set out in the Draft Statement of Reasons (Appendix 2) annexed hereto.
12. The Draft Statement of Reasons has been prepared in accordance with the latest Guidance from the then Ministry for Housing Communities and Local Government.
13. There are three aspects to the case that the Council is advancing in promoting the order. The first and primary justification for the Order is that the proposals are in accordance with the Strategic Planning Framework. Second, the proposal supports economic development as set out in Lancashire 2050 & the Greater Lancashire Plan, The Economic Recovery & Growth Strategy 2021-2026 and the Nelson Town Investment Plan. Third, the proposals deliver on

key corporate objectives for the Council as set out in the Strategic Plan 2020-2023 (Annual Refresh 2021-2022) notably the objectives to promote a strong economy and strong communities.

14. On the basis of the above, the Policy and Resources Committee 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 Pendle Strategic Plan 2020-2023 (Annual Refresh 2021-2022).

Financial: Gap funding costs shall be met from the £9.2m Revitalised Nelson budget awarded as part of the Nelson Town Deal. Assuming the Centre is acquired as a going concern then the running cost of the Centre will pass to the Authority. As we have no information from the owner as to the current costs and leases in place there is a clear financial risk to the Authority that the Centre will run at a loss. The running costs cannot be funded via Town Deal Funding and would fall on the Council's revenue budget to fund unless agreement can be reached with the Joint Venture Company to underwrite these costs. There is no agreement in place at this time in this respect.

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 proposed redevelopment will significantly improve shopping facilities within the borough, which is regarded as an important driver of economic growth.

Community Safety: None

Equality and Diversity: The Council has considered its obligations under section 149 of the Equality Act 2010 and is satisfied that no individuals or groups with protected characteristics (or otherwise) shall be disadvantaged by the proposals in this report.

APPENDICES

Appendix 1 - Map for the Compulsory Purchase Order

Appendix 2 - Draft Statement of Reasons

LIST OF BACKGROUND PAPERS

Report to the Policy and Resources Committee: 26 May 2022 'Pendle Rise Shopping Centre, Nelson'