

REPORT FROM: DIRECTOR OF PLACE

TO: TOWN DEAL BOARD

DATE: 19 September 2025

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REVITALISE NELSON – PROGRAMME UPDATE

PURPOSE OF REPORT

To update the Town Deal Board on progress with the Revitalised Nelson Programme

RECOMMENDATIONS

(1) To note the report.

REASONS FOR RECOMMENDATIONS

(1) For information.

1. The report provides updates on Pendle Rise Shopping Centre, Relocation Properties and Trafalgar House.
2. **Pendle Rise Shopping Centre**
3. Since purchasing Pendle Rise Shopping Centre (PRSC) Pendle Borough Council (PBC) has run the centre in conjunction with management operator BPL (formerly known as Beddows Limited).
4. The centre continues to operate relatively smoothly on a day-to-day basis, albeit with a reduced number of shops.
5. At the last Board Meeting in June 2025, it was confirmed that PBC intended to issue the General Vesting Declaration (GVD) to all parties at or around the end of June 2025 giving a 4 month notice period to the end of October 2025 to coincide with the long stop date for Specsavers. This 4-month period exceeded the minimum legal requirement of 3 months.

6. The target date for issuing the GVD was met. There were some logistical issues with physically serving some parties due to their geographical location. This delayed the completion of the GVD process by a few days so the actual vesting date will now be the 11th November 2025.
7. The demolition tender has been posted on 'The Chest' public procurement portal and the opportunity is due to close on the 12th September, to allow for the appointment of a demolition contractor in time for the vesting date after which the demolition process will commence.
8. The actual timeline for demolition is to be agreed with the successful contractor and will form part of the tender analysis and selection of the contractor. However, the procurement of the contractor in September and commencement upon vesting gives every opportunity for demolition to be complete around the target date of end of March 2026.
9. Meetings with each tenant and Axis and/or the PBC Estate Team have continued to take place with respect to compensation in line with CPO requirements. Five retailers still remain without confirmed deals. These negotiations are commercial in confidence and will be covered in a separate report.
10. The outstanding compensation arrangements will not affect obtaining vacant possession following the vesting date of 11th November 2025 as any interests will have been terminated by the notices served with the GVD. The process by which vacant possession is ensured is currently being formalised.
11. Further progress has been made by PBC property services and the utility consultant in ensuring all utilities are identified, change of tenancy notices completed and billing transferred to PBC; all to allow for the supplies to be de-energised, decommissioned and stripped out ready for demolition. Depending on the nature of the supply some of this work will form part of the demolition contractor's scope of works; other supplies will be shut down in advance.
12. Agreement in principle has been reached between Penbrook Developments Limited, PBC property services, and Electricity North West (ENW) regarding the treatment of the existing sub-station on site. This will enable the sub-station to remain 'in-situ' during demolition.
13. The PBC engineering department continues to liaise with Lancashire County Council with a view to synchronising, as far as is possible, the timing of the PRSC demolition with the Accessible Nelson works along Broadway up to Manchester Road. Agreement has already been reached with Lancashire Highways to ensure works carried out as part of their cross-Nelson highway improvements, which include Accessible Nelson, are fully consistent with the PRSC proposals. This will involve making sure there is no duplication of works packages in Accessible Nelson and the Highways works to be carried out by Penbrook Developments Limited in relation to their redevelopment of PRSC.
14. This exercise will therefore inform the technical proposals which form the basis of the S78 agreement between Penbrook and LCC. The Section 278 agreement is an important precursor to starting work to implement planning permission. Other conditions associated with demolition methods will be discharged by the appointed demolition contractor.
15. The current budget profile for the PRSC Town Deal funding remains unaltered as follows:

Item	£	Notes
Acquisition	£ 4.3 million	Spent
CPO and Professional Fees	£ 1.2 million	Based on advice from Axis and Eversheds. Accurate estimate.
Demolition and Clearance	£1.5 million	Based on Contractor quotations – to be confirmed following completion of contractor procurement mid-September
Compensation	£2.5 million	Based on initial estimate of compensation liability following tenant and telecom meetings
Upkeep, Accessible Nelson, Other, Contingency	£0.8 million	To allow for contribution to Accessible Nelson and other costs incurred including as PRSC operator pre-demolition
Total	£10.3 million	

16. There may be further adjustments upwards and downwards on these budgets as details continue to be defined on compensation agreements, and demolition costs, but any requisite adjustments are expected to balance out within the £10.3 million available.

17. Relocation Properties

18. Good progress continues to be made with the Telecommunication installations. Cornerstone (O2/Vodafone) are in the process of agreeing a temporary license for relocation to the Palace Car Park adjacent to Wavelengths. Airwaves/Motorola have agreed the form of their temporary license for the Broadway Car Park. Telent (EE) are removing their equipment from the top of PRSC on 30th October. All telecommunication companies have secured permanent sites. The temporary licenses are short term arrangements pending permanent relocation to ensure vacant possession of PRSC for demolition.

19. Heads of Terms have been agreed, and contracts are currently being finalised to allow for the former Althams property at 1-3 Scotland Road to become premises for Cash Access UK. Enabling works on the new premises for Specsavers at the former bank at 23 Manchester Road were completed on time by Brookhouse Limited, and work by Specsavers own shopfitters is now proceeding to programme. Armico News have now completed their relocation into 5-7 Scotland Road and are open for business.

20. At this time no further properties will be acquired pending the outcome of any demand for relocation properties as part of negotiations with the last five tenants.

21. Trafalgar House

22. As reported to the meeting of the Town Deal Board in June, Pendle Borough Council has decided to retain the historic front element of Trafalgar House and demolish the rear of the building. The proposals outline that the front will be refurbished for non-residential town centre use and the rear will be presented as a cleared and levelled site, for use for car parking. Additional parking between the rear of Number One Market Street and the Ace Centre complete the proposals.

23. The Ministry of Housing, Communities and Local Government (MHCLG) has confirmed that the current proposals are consistent with the Town Deal plan and funding agreement.

24. The Quantity Surveyor working on behalf of Penbrook Limited is in the process of firming up the costs of the proposals, and discussions with potential occupiers of the building continue. Further details of progress made are set out within the Confidential Report later on the agenda.