

**NOTE OF A MEETING OF THE
NELSON TOWN DEAL BOARD
HELD AT NELSON TOWN HALL,
AND VIA TEAMS
ON 19TH SEPTEMBER 2025**

PRESENT

S. Barnes – (Chair)

Members of the Board

<i>Cllr F. Ahmad</i>	<i>Nelson Town Council (NTC)</i>
<i>Cllr A. Ali</i>	<i>Lancashire County Council (LCC)</i>
<i>Cllr A. Mahmood</i>	<i>Pendle Borough Council (PBC)</i>
<i>K. Arciniega</i>	<i>McDonald's</i>
<i>C. Bennett</i>	<i>Positive Action in the Community</i>
<i>J. Hinder</i>	<i>Member of Parliament for Pendle and Clitheroe</i>
<i>N. Rockett</i>	<i>Phoenix Health</i>
<i>D. Rothwell</i>	<i>East Lancashire Learning Group</i>

Consultants/Advisors

<i>K. Okell</i>	<i>Axis Property Consultancy LLP (joined for Item 15)</i>
<i>H. Warren</i>	<i>Department for Work and Pensions</i>

Officers in attendance

<i>I. Bokhari</i>	<i>Head of Economic Growth, PBC</i>
<i>D. Dixon</i>	<i>Group Operations Manager, RAISE Partnership</i>
<i>P. Spurr</i>	<i>Director of Place, PBC</i>
<i>G-L. Wells</i>	<i>Head of Finance, PBC</i>
<i>D. Gamble</i>	<i>Projects and Programmes Officer, PBC</i>
<i>H. Harkley</i>	<i>Property & Procurement Lawyer, PBC</i>
<i>Z. Iqbal</i>	<i>Project Support Assistant, RAISE Partnership</i>
<i>R. Savory</i>	<i>Project Manager, RAISE Partnership</i>

Also in attendance

<i>M. Nuttall</i>	<i>Property Director, Brookhouse Group</i>
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(Apologies for absence were received from Cllr M. Iqbal, Cllr D. Whipp, L. Conway, R. Grey, P. Hartley)

1. DECLARATIONS OF INTEREST

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Members were reminded of the requirement to declare any interest they had on any item of business on the agenda.

Councillor A. Mahmood declared a non-prejudicial interest in relation to Items 5 and 15 (Revitalised Nelson), on account of his role as Director of Penbrook Developments Ltd and PEARL.

2. CONFLICTS OF INTEREST

Members were reminded of the requirement to declare any conflict of interest they had on any item of business on the agenda.

N. Rockett has previously declared a conflict of interest on item 5 (Revitalised Nelson) owing to being a Tenant of the Pendle Rise Shopping Centre. His business (Nelson Nutrition) has now ceased trading and he is now employed by Phoenix Health.

3. APPOINTMENT OF NEW BOARD MEMBER

SB and AM recommended that Karen Arciniega be appointed to the Nelson Town Deal Board as a representative of the business community. This was supported by AA. KA was welcomed to the Board.

4. MINUTES

The minutes of the meeting held on 13th June 2025 were submitted for approval.

AGREED

That the minutes of the meeting held on 13th June 2025 be approved as a correct record and signed by the Chair.

5. REVITALISED NELSON

The Director of Place submitted a report to update Board Members on progress with some elements of the Revitalised Nelson programme.

o Pendle Rise Shopping Centre (PRSC)

The Board was informed that 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). The Centre had continued to operate relatively smoothly on a day-to-day basis, albeit with a reduced number of shops.

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

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requirement of 3 months. The target date for issuing the GVD was met. There were some logistical issues with physically serving some parties due to their geographical location. An interested party was identified in Belfast. Through Eversheds' Dublin office, arrangements were made to engage a courier to effect service of the required documents. This delayed the completion of the GVD process by a few days so the actual vesting date would now be 11th November 2025.

The demolition tender had been posted on 'The Chest' public procurement portal and the opportunity closed on 12th September 2025 to allow for the appointment of a demolition contractor in time for the vesting date, after which the demolition process would commence. RS reported to the Board that twelve compliant bids have been received and that the process is expected to remain within budget.

The actual timeline for demolition was to be agreed with the successful contractor and would form part of the tender analysis and selection of the contractor. However, the procurement of the contractor in September and commencement upon vesting gave every opportunity for demolition to be complete around the target date of end of March 2026. Meetings with each tenant and Axis and/or the PBC Estate Team had continued to take place with respect to compensation in line with CPO requirements. Five retailers remained without confirmed deals. These negotiations were commercial in confidence and would be covered in a separate report.

The outstanding compensation arrangements would not affect obtaining vacant possession following the vesting date of 11th November 2025 as any interests would have been terminated by the notices served with the GVD. The process by which vacant possession is ensured has been formalised (and was discussed later on the agenda - see item 15).

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 would form part of the demolition contractor's scope of works; other supplies would be shut down in advance.

Agreement in principle had 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 would enable the sub-station to remain 'in-situ' during demolition. The PBC engineering department continued to liaise with LCC 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 had already been reached with Lancashire Highways to ensure works carried out as part of their cross-Nelson highway improvements, which included Accessible Nelson, were fully consistent with the PRSC proposals. This would involve making sure there was 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. This exercise would therefore inform the technical proposals which formed the basis of the S278 agreement between Penbrook and LCC. The S278 agreement was an important pre-cursor to starting work to implement planning permission. Other conditions associated with demolition methods would be discharged by the appointed demolition contractor.

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The current budget profile for the PRSC Town Deal funding remains unaltered.

- *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.*

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

SB urged officers to be mindful of the risks to the project. PS stated that good communications are being maintained to minimise risks, including regular liaison between LCC Highways, PBC engineers (Scott Whalley) and MN's team. PS also mentioned that the PBC Finance team are liaising closely with LCC to get the Accessible Nelson Grant Funding Agreement signed off.

○ **Relocation Properties**

Good progress continued to be made with the telecommunication installations. Cornerstone (O2/Vodafone) were in the process of agreeing a temporary license for relocation to the Palace Car Park adjacent to Wavelengths. Airwaves/Motorola had agreed the form of their temporary license for the Broadway Car Park. Telent (EE) were removing their equipment from the top of PRSC on 30th October. All telecommunication companies had secured permanent sites.

The temporary licenses were short-term arrangements pending permanent relocation to ensure vacant possession of PRSC for demolition. Heads of Terms had been agreed, and contracts were currently being finalised to allow for the former Althams property at 1-3 Scotland Road to become premises for Cash Access UK and the draft licence has been received and is being reviewed. 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 were open for business. At this time no further properties would be acquired pending the outcome of any demand for relocation properties as part of negotiations with the last five tenants.

○ **Trafalgar House**

As reported to the meeting of the Town Deal Board in June 2025, Pendle Borough Council has decided to retain the historical front element of Trafalgar House and demolish the rear of the building. The proposals outline that the front would be refurbished for non-residential town centre use, and the rear would be presented as a

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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.

The Ministry of Housing, Communities and Local Government (MHCLG) had confirmed that the current proposals were consistent with the Town Deal plan and funding agreement. The Quantity Surveyor working on behalf of Penbrook Limited was in the process of firming up the costs of the proposals, and discussions with potential occupiers of the building continued. Further details of progress made were set out within the Confidential Report (considered later on the agenda – see item 16).

Car Parking and Access

SB reminded the Board that the original aspiration was to provide a larger car park to support access to both the Centre and the ACE Centre, but that the plan was subsequently revised to the current design. SB emphasised the importance of retaining the advantage of access to the ACE Centre and cautioned against any changes that might reduce car parking in that area.

Given the tight budget, SB noted that, in principle, if resources become available after the planned changes and demolition costs across the programme are confirmed, consideration should be given to providing additional car parking at the ACE Centre. SB requested that this be formally minuted to ensure officers explore this option should flexibility in the budget arise.

PS reminded members that the Council has a strategic car-parking plan in place, with IB and his team leading this work in collaboration with engineers. RS added that IB's team has integrated this approach with the Town Deal programme and submitted a brief to the strategic consultant. The concept includes improving parking at the ACE Centre and exploring the potential outcome of the Trafalgar House scheme to enhance accessibility to long-stay parking for employees and business use.

AGREED

That the progress detailed in the report be noted.

6. NELSON TOWN DEAL PROGRESS UPDATE

The Director of Place submitted a report which provided written updates on progress with the undermentioned Nelson Town Deal projects. Revitalised Nelson had been discussed earlier as part of a separate update. A verbal update was given on the Nelson Plan for Neighbourhoods.

- Accessible Nelson
- Advanced Digital Skills
- Business Resilience and Growth
- Healthy Towns – Parks
- Healthy Towns – Wavelengths
- This is Nelson
- YES Hub

GENERAL UPDATES

Communication

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The Programme Management team continued to meet with PBC's Communications team, Pendle Leisure Trust (PLT) and In-situ fortnightly to ensure that the website, news releases and social media were up to date with notable stories resulting from the Town Deal Programme. Most recently, efforts had concentrated on putting together the communication and engagement plan for PRSC / the overall programme.

The PBC Communications team continued to work closely with the LCC Communications team in a collaborative process to make sure that the communications regarding Accessible Nelson were ready and both parties were sharing the same messages.

Resources

Regular monthly meetings continued between the PBC Finance team and the Programme Management team. These meetings had continued to provide project leads with support and guidance on financial and contract management processes, ensuring close monitoring of progress towards spend targets by March 2026.

A cash flow exercise was due to take place at the start of September 2025, rolling into a monthly cash flow forecast through to the end of the programme. New guidance had been released by MHCLG regarding monitoring for the Town Deal. This included information on PAR forms, output and outcome indicators, and evidence requirements. These were currently being investigated by the programme delivery team, and a short update was in the outputs and outcomes progress report. The Programme Management Team continued to meet monthly with the project leads to get updates on project progress and discuss any issues/guidance the project leads might need.

AGREED

- (1) That the progress with each of the six Nelson Town Deal projects be noted.
- (2) That further progress with all of the Nelson Town Deal projects be reported at the next Board meeting.

7. NELSON TOWN DEAL FINANCE REPORT

A Finance report was presented which contained the following information:

Town Deal Budgets Summary

A financial table provided the Board with details of the Nelson Town Deal financial status week ending 30 August 2025 was contained within the circulated report.

Forecast Spend

Forecast spend remained on target to be met and not exceeded. LCC had indicated that the Accessible Nelson project might continue until December 2026. The Trafalgar House element of the Revitalised Nelson project might continue until March 2027 depending on final programme. The programme for Wavelengths was currently forecast for completion for March 2026, as is PRSC demolition.

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Both were being closely monitored in case completion would go into the first quarter of financial year 2026/27. The expenditure profile for the Digital Skills Academy (Spoke) was also being closely monitored. This was due to the dependency on the College as third-party grant recipient to set up the Digital Spoke at the Ace Centre following the delay in the lease being set up. Revenue costs for the Digital Spoke were being profiled through to March 2027.

Match Funding

A financial table providing the Board with details of the Match Funding financial status week ending 30 August 2025 was contained within the circulated report. DR asked that ELLG's match funding is shown in future reports.

SB asked that officers prepare options for how underspends can be re-allocated, including improved car parking. AA raised that there is very poor public toilet provision in Nelson, and that NTC could be a partner in funding improved provision. PS stated that the Trafalgar House costs need to be firmed up before funds can be re-allocated, but that toilet provision could be supported through Nelson Plan for Neighbourhoods. JH mentioned that a Fair Funding Review is being carried out, as it is recognised that deprived areas such as Nelson are losing out. SB concluded the discussion by saying that PBC need to be ready to take advantage of any opportunities.

AGREED

- (1) That the budget update for all seven Nelson Town Deal projects be noted.
- (2) That match funding evidence to date be included in all future Nelson Town Deal finance reports.
- (3) That the Board notes that timelines on Accessible Nelson, Wavelengths, PRSC and Digital Skills Academy continue to be under review and that any updates in terms of proposed completion dates would be reflected in the half yearly monitoring return due to be submitted to MHCLG in October 2025 (now April 2026 – see Item 8).
- (4) That officers would begin to look at options in managing any underspends.

8. TOWN DEALS – FUNDING SIMPLIFICATION

The Director of Place submitted a report which updated the Board on changes to the MHCLG Town Deals and the Levelling Up Fund.

Don Gamble, Project & Programmes Officer, Economic Growth presented the report.

The Board was informed that on 2 September 2025, the Ministry for Housing, Communities and Local Government (MHCLG) announced broad changes to Town Deals and the Levelling Up Fund with the aim to “reduce the administrative burden on local authorities and maximise your freedom and flexibility.”

Town Deals and the Levelling Up Fund will be rolled into one pot – the Local Regeneration Fund (the Simplification Pathfinders Pilot Fund was also included in the new fund, but that's irrelevant to Pendle Borough Council).

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A local authority's individual funds would be aggregated into a single allocation. The total MHCLG allocation cannot be exceeded, and capital/revenue splits must be maintained. Town Deal and Levelling Up Fund payments for the full financial year of 2025/26 would be received in September but from 2026/27 onwards a combined payment would be made at the start of the financial year.

MHCLG encouraged Local Authorities (LAs) to continue to make use of existing local governance structures such as Town Deal Boards, but it is up to the LA to decide what governance structure worked best for them. The MHCLG monitoring round due in October had been cancelled and so the first monitoring round would be in April 2026 and every six months thereafter. This would involve a combined monitoring return, though this would also be simplified. However, PBC would still ask project providers for monitoring information for April - September 2025, for its own monitoring requirements.

The funding allocation could be managed flexibly across a portfolio of projects within the local authority area. The expectation was that all current Town Deal and Levelling Up Fund projects would be completed but LAs could make changes to those projects or cancel projects and add new projects in response to local priorities and changing economic conditions, without seeking prior approval from MHCLG (ie the Project Adjustment Request process had been simplified).

LAs needed to tell MHCLG what had changed or was likely to change, and why, in the combined monitoring return and in conversations with them in between formal reporting periods. They would particularly welcome advance discussions on significant changes. The number of output and outcome indicators was being reduced from 150 to 45 and these only need to be reported at a portfolio level (not at project level). MHCLG would conduct evaluation centrally, using data provided through monitoring returns etc. LAs would not be required to carry out local evaluations, but they might want to continue collecting project level data for their own local monitoring, reporting and accountability. MHCLG would still encourage LAs to conduct reflective exercises (ie lessons learnt) to help inform the development of their project pipeline.

AGREED

That the update be noted.

9. NELSON TOWN DEAL OUTPUTS AND OUTCOMES PROGRESS UPDATE

The Director of Place submitted a report which provided an update for the Town Deal Board on Output and Outcomes Progress across the Nelson Town Deal Programme.

The Programme Delivery Team had met with MHCLG representatives and were currently in the process of revisiting and reviewing the target outputs and outcomes for each Nelson Town Deal project. This work was intended to ensure alignment across all reporting documents, including the Hatch Business Case, the MHCLG monitoring return, PBC's master sheet and the MHCLG master sheet.

In parallel, the Programme Management Team were reviewing the evidence requirements associated with each project to ensure that we could robustly report

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progress against the agreed targets. Performance against outputs and outcomes was strong across the programme, with evidence in place to support these achievements. The July monitoring return was available upon request.

Where targets were unrealistic or there were differences between the Hatch Business Case, the MHCLG monitoring return, PBC's master sheet and the MHCLG master sheet, these were being reviewed in conjunction with the MHCLG team and project leads to agree confirmed delivery targets.

The final reconciliation would also be affected by the new MHCLG guidance, which is reducing the number of national performance indicators from 150 to 45. There would also be a focus on 'Portfolio' (or programme) level achievement rather than individual projects – 'a significantly reduced set of metrics'. In summary, the exercise, coupled with changes in MHCLG guidance, means that the Nelson Town Deal was well placed to achieve all contracted outputs and outcomes.

We expect to present a definitive table of outputs and outcomes for the next reporting period in December 2025. This would reflect:

- Agreed targets with MHCLG – in line with new guidance.
- Achievements to date
- Supporting evidence collected

AGREED

- (1) That the Nelson Town Deal outputs and outcomes progress update be noted.
- (2) That a definitive table of outputs and outcomes will be brought to the Board in November.

10. COMPLIANCE AND TRANSPARENCY UPDATE

The Board received a verbal update on compliance with the Ministry of Housing, Communities and Local Government's requirements, specifically in relation to providing Board Member profiles on the Nelson Town Deal Board website.

AGREED

- (1) That the update be noted.
- (2) That officers will obtain from Board members brief biographies and photos where needed or missing.

11. COMMUNICATIONS AND ENGAGEMENT

DD provided a comprehensive update on the communications and engagement activity undertaken since the last meeting. A communications plan written by the PBC Communications team was presented. The plan aims to raise awareness, inform stakeholders, and build community engagement and trust in the Town Deal Programme. Key objectives include showcasing progress, building a strong and positive narrative and positioning Nelson as a model for effective regeneration.

DD reviewed the communication activities for each project, which included case studies, progress updates, photographs, news releases, drop-in sessions, official

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social media announcements, project openings, celebrations of grant successes, press releases and testimonials.

SB noted that this is a big increase in communications and that board members will welcome this, as it lets Nelson residents know what is going on. AA noted that this seems to be led by online communications and suggested plans for information leaflets to be locally distributed, to support the multi-generational community and FA commented that there is a lot of local organisations that would be happy to be involved in the communications of the Town Deal, in addition to In-Situ.

KA noted that we should be utilising the local businesses and colleges to help promote the Town Deal programme. She has offered the board access to her McDonalds outlets to promote the NTD, and suggested other businesses could be involved. SB thanked KA for the offer.

AM suggested that ELLG could be a partner in improving communications and DR endorsed this, suggesting it would be good for the young people of the college to be involved. Conversations are ongoing between the ELLG communications team and PBC communications team.

AGREED

- (1) That the update and communications plan be noted.
- (2) That officers continue to deliver communications in line with the agreed strategy and key milestones.

12. ANY OTHER BUSINESS

The Chair invited any final comments or matters for consideration under Any Other Business. No additional items were raised by Members.

13. DATE OF NEXT MEETING

The next meeting would be held on Friday 14th November 2025 at 10 a.m.

14. EXCLUSION OF PRESS AND PUBLIC

AGREED

That in pursuance of the power contained in Section 100(A)(4) of the Local Government Act 1972 (as amended) the public and press be excluded from the meeting during consideration of the next item of business on the grounds that if a member of the public and press were present during consideration of the item, there would be disclosure to them of exempt information which was of a commercially sensitive nature.

15. REVITALISED NELSON: PRSC AND RELOCATION PROPERTIES

Kate Okell, partner at Axis Property Consultancy LLP, joined the meeting.

The Board considered a written report of the Director of Place on the above mentioned elements of the Pendle Rise Shopping Centre (PRSC) and Relocation Properties.

The Town Deal Board was provided with a written update with respect to gaining vacant possession and completing demolition and presenting a level Pendle Rise site ready for development by March 2026.

Decommissioning, Delisting, Demolition and Site Clearance

The current position relating to the demolition schedule was shown in the main report. The procurement exercise closed on 12th September 2025. This was between the date of completing this report and the date of the Board Meeting of 19th September 2025. A verbal update on the tender process and impact on budget was provided.

Achieving Vacant Possession of PRSC

The situation with negotiations with the remaining five tenants was dynamic with negotiations on-going. Kate Okell of Axis Property Consultants joined the meeting to provide a current verbal update of the state of these negotiations, so the Board were privy to up to the minute information. An update was also provided to the Board of the process by which vacant possession would be achieved following the vesting date of 11 November 2025.

The update included the position of the remaining tenants in the shopping centre, confirming that they are aware of the vesting date. A strategy has been produced outlining the steps the Council will take over the next seven weeks to reiterate the messaging regarding the limited time remaining before the vesting date. The strategy also sets out proactive measures to ensure the Council is prepared for any potential resistance from the remaining tenants.

KO outlined the remaining tenants and the key challenges they are facing in the process. KO confirmed that significant effort has been made to ensure all appropriate steps are taken and that ongoing dialogue with the tenants is maintained. Tenants have been advised to seek independent advice and to instruct surveyors where necessary.

KO outlined the Council's strategy for managing the remaining tenants ahead of the vesting date. This structured approach ensures proactive engagement with tenants while preparing for any potential challenges in the vesting process.

Relocation Properties

As stated in the main report, good progress was being made with telecom and electricity substation relocation. No further acquisitions of relocation properties were taking place or planned, pending the outcome of the compensation packages with the five remaining retail tenants.

New Pendle Rise

Both leading discount food retailers were actively engaged in negotiations with relation to being the anchor store of the new development. There was also strong interest from several other well-known retailers in the other new units.

Summary

Based on progress with the procurement of a demolition contractor, the Compulsory Purchase Order (CPO) process and tenant negotiations so far, the timeline for completion of demolition of PRSC by March 2026, within the Revitalised Nelson budget, remained achievable.

AGREED

That the update be noted.

16. NELSON TOWN DEAL – TRAFALGAR HOUSE UPDATE

The Board considered a written report on this element of the Revitalised Nelson project.

At the meeting of Town Deal Board on 13th June, it was reported that at a construction cost of £1.55million and subject to approvals and an option to purchase value of £275,000 with a suitable occupier, there was a viable scheme for proposals to renovate the retained portion of the building for non-residential town centre uses across all floors. The rear of the building to be demolished, with the rear of the retained portion to be used for car parking, together with an aspiration for extended parking provision on the land between the rear of No1 Market Street and the rear of the ACE Centre.

Authority was delegated to the Chair of the Town Deal Board to approve these proposals subject to their approval by MHCLG. The programme team had subsequently met with MHCLG officers. They confirmed that, as long as Town Deal outputs are still met, from their perspective there were no impediments to the proposals. This included the possible sale of the building post refurbishment. They confirmed that buildings benefiting from Town Deal funds had been subsequently sold in other Town Deal projects in the UK. The Town Deal output for Trafalgar House was the safeguarding of a Heritage Asset. This output would be achieved by the retention and renovation of the front portion of the building.

The programme team had therefore worked with Penbrook Developments Limited to continue to explore the feasibility of delivering the proposals accordingly. The redevelopment of Trafalgar House was included in the Revitalised Nelson Programme (Revitalised Nelson) as part of the Town Deal along with the redevelopment of Pendle Rise Shopping Centre and the provision of Relocation Properties. The aim of Revitalised Nelson was to regenerate Town Centre assets through a delivery vehicle - Penbrook Developments Limited (Penbrook) - which was a joint venture between PBC and Brookhouse Developments Limited.

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The Board of Penbrook Developments Limited agreed to the proposals in principle, subject to the commercial outcome of the project satisfying their minimum financial return of 10% of project value. The Penbrook Developments Limited Board was therefore currently evaluating the project and has progressed the next stages of investigation into the feasibility of the proposals.

It had been reported to the June 2025 meeting of the Town Deal Board that two occupiers were potentially interested in the building. Further meetings had been held with these parties who had confirmed their interest. Both lease and purchase options had been explored and neither had been ruled out, pending the outcome of the cost exercise and decisions on the possible disposal of Trafalgar House by PBC.

In the meantime, the Board was asked to note that Penbrook Developments Limited would over the next three months, subject to their formal Board mandate:

- proceed with a planning application for the proposals utilising the budget allowance in the Town Deal fund
- conduct a procurement/costing exercise for a contractor for the works - to firm up cost estimates
- continue negotiations with potential occupiers for leasing the building, potentially to include an option to purchase the building within the prevailing market valuation range (subject to approval decisions by PBC)

Based on the negotiations with potential occupiers and progress with firmed up construction costs, a report would be taken back to PBC Executive in October 2025. This would confirm the outcome of the investigations into the feasibility of delivering the project and, if appropriate, seek a formal mandate to include a post-refurbishment option to buy within the pre-let agreement with an occupier.

Subject to this decision by PBC Executive, the project being similarly approved by the Penbrook Board, planning permission being granted and a satisfactory pre-let agreement being in place, the project would be able to proceed.

A further report will be brought to the Board in November.

AGREED

- (1) That the update be noted.
- (2) That a further report be submitted to the Nelson Town Deal Board in November 2025.

Chair _____