



# EXECUTIVE MEMBER DECISION

<b>REPORT OF:</b>	Executive Member for Resources Executive Member for Regeneration
<b>LEAD OFFICERS:</b>	Deputy Chief Executive
<b>DATE:</b>	14 December 2018

<b>PORTFOLIO/S AFFECTED:</b>	Resources	Regeneration
<b>WARD/S AFFECTED:</b>	Blackburn South and Lower Darwen	

**SUBJECT: Disposal of Land (Plots 1 & 2), Milking Lane, Lower Darwen**

## 1. EXECUTIVE SUMMARY

This report seeks approval to the disposal of two plots of land located at Milking Lane, Lower Darwen which is in the ownership of Barnfield Blackburn Ltd a joint venture company in which the Council has a 25% shareholding.

## 2. RECOMMENDATIONS

That the Executive Members:

- 2.1 Approves the disposal of Plots 1 and 2 subject to the provisionally agreed heads of terms outlined in this report.
- 2.2 Authorises the Growth Programme Director to complete the necessary legal formalities relating to the disposal of Plots 1 and 2 in his role as Company Director of Barnfield Blackburn Ltd.

## 3. BACKGROUND

Further to a previous report to the Executive Board which was published on 5<sup>th</sup> July 2018 approval was given to enter into a joint venture company with Barnfield Construction Ltd and to acquire land at Milking Lane for development.

The Milking Lane site in Lower Darwen has attracted negative publicity over the years with a long and chequered site history of stalled development activity and more recently incidents of anti-social behaviour, vandalism and trespass as reported by local residents, businesses and Ward Councillors.

The site is ideally located and will provide much needed employment land for new businesses for local expansion and inward investment in the Borough. The minority investment by the Council in the joint venture company of 25% will help ensure the site is developed and that development is accelerated to generate a positive return for the Council and directly support growth in jobs and housing.

Barnfield Blackburn Ltd (BBL) has now been incorporated and officers from the Council have been appointed Directors of the new company.

BBL submitted an Outline Planning Application (OPA) which was registered by the Council on 5<sup>th</sup> December. The OPA is submitted with all matters reserved save for access and is for a mixed use development of a maximum of the following: 100 dwellings, 15,000m<sup>2</sup> of B1/B2/B8 employment use and 1,500 m<sup>2</sup> of D1 education use and associated ancillary works.

**Annex 1** is a drawing showing the proposed land plots for disposal.

#### 4. KEY ISSUES & RISKS

BBL has progressed commercial discussions with a property investment company (the Purchaser) for Plot 1 and Plot 2. The main Heads of Terms are detailed in the Part 2 report.

#### 5. POLICY IMPLICATIONS

The development aligns with the Council's Local Plan policy.

#### 6. FINANCIAL IMPLICATIONS

The sale and subsequent development of the site will generate the Council a 25% share of the capital receipt and the development is on target to generate the Council the expected surplus.

#### 7. LEGAL IMPLICATIONS

Risks have been mitigated by requesting the Purchaser to cover all costs of planning together with limiting the long stop date to 12 months. Barnfield Blackburn Ltd will appoint external lawyers to complete the transaction. The Council officer serving as director will have pertinent company documents and resolutions to complete in connection with this matter. As negotiations and details of the transaction have been undertaken by the BBL, few comments can be made on the substantive transaction itself.

#### 8. RESOURCE IMPLICATIONS

Resources from within the Council's Growth Team will be supporting this transaction.

#### 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

#### 10. CONSULTATIONS

None

**11. STATEMENT OF COMPLIANCE**

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

**12. DECLARATION OF INTEREST**

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

<b>VERSION:</b>	<b>1.0</b>
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<b>CONTACT OFFICER:</b>	Simon Jones, Growth Programme Director
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<b>DATE:</b>	14 December 2018
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<b>BACKGROUND PAPER:</b>	Executive Board Report, Milking Lane Investment Opportunity which was published on 5 <sup>th</sup> July 2018
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