

RECORD OF DECISION TAKEN UNDER DELEGATED AUTHORITY FROM EXECUTIVE/COUNCIL/COMMITTEE



DELEGATED OFFICER Director of Growth & Development
DECISION TAKEN BY:

DELEGATED BY: Executive Board
(January 2018)
IN CONSULTATION Executive Member Finance & Governance
WITH: Executive Member Growth & Development

PORTFOLIO AREA: Finance & Governance
Growth & Development

SUBJECT:
11-13 Blakey Moor ('the property')

1. DECISION

The negotiations between the remaining tenant in the 'property' have been completed and the details are noted in the report. This is in accordance with the delegations agreed in the Executive Board report of January 2018, which delegated authority to Director of Growth and Development to complete negotiations with the remaining tenant once the acquisition of the Terrace had been completed.

2. REASON FOR DECISION

To obtain vacant possession of 11-13 Blakey Moor Terrace.

3. BACKGROUND

3.1 The Council received Full Approval in June 2016 from the Heritage Lottery Fund (HLF) for the £3 million Blakey Moor Townscape Heritage Project. £1.5 million funding from HLF and £1.5 million match funding from Blackburn with Darwen Borough Council's Capital Programme (approved Executive Board, February 2016).

3.2 The project proposals were developed by the Council's Economic Regeneration and Business Team, guided by the recommendation of the Heritage Lottery Fund and a team of consultant's including Buttress Conservation Architects, Planit-IE landscape Architects and Colliers International commercial property and development specialists.

3.3 Over the next 4 years, the project will offer property owner's grants of up to 80% to repair or reinstate architectural details and to bring vacant floor space back into commercial use.

The project will deliver:

- refurbishment of up to 25 historic buildings including King Georges Hall front elevation, former Baroque public house, Blakey Moor terrace and properties on Northgate and Lord Street West

- Public realm improvement scheme to Blakey Moor with quality paving, improved lighting and soft planting
- a heritage skills training programme developed with Blackburn College supporting both students and teaching staff with experience and skills
- activity including marketing and an events and activity programme to celebrate the town's rich culture and heritage

3.4 The project is an important part of the on-going regeneration and development of the town centre, creating improved links between Blackburn College and the town's retail core. The enhancement works will support commercial viability of existing businesses, create opportunities for new businesses, help to reinvigorate the town's evening and leisure economy and further establish this part of the town as a cultural hub. There is strong evidence that this is already happening with the level of interest that has been shown by investors and new openings of Bees Knees, Shhh Bar, and EastzEast in the area.

3.5 The refurbishment of the Blakey Moor terrace was identified as a priority project in the delivery of the wider Townscape Heritage Project. An options appraisal was carried out by Colliers International to establish the most commercially viable option for the terrace within the context of supporting the wider regeneration of the area and town centre.

As reported in the Executive Board Decision February 2016, the viability of 6 options for the Blakey Moor Terrace was assessed, including the option to demolish. Soft market testing, taking in the views of licensed restaurant agents and commercial developers, was undertaken by Colliers to establish likely demand from commercial users/operators. This concluded that:-

- The site is potentially attractive to restaurants and also to cafes and coffee houses with the historic nature of the area attractive as a destination.
- There are many examples of reconfigured historic buildings being attractive to such operators. The town centre location with very busy footfall, opposite a major leisure attraction and near to car parking, make it attractive to operators.
- The minimum floor area that operators look for would be 200sq.m – up to about 500sq.m. The proposed layouts would give unit sizes of 250sq.m, with about 100sq.m outside, and 570sq.m;
- Local authority ownership can be used to positively influence the offer.

All 6 options that were considered require the acquisition and/or improvement of 11-13 Blakey Moor.

The final report from Colliers and insights from the Retail Group research both concluded that Blackburn could sustain a substantial modern restaurant offer and Blakey Moor has the potential to provide a suitable environment for this. Colliers therefore suggested it would be the optimal option for the Council to use the Townscape Heritage Project to nurture a restaurant quarter, using Blakey Moor and the former Baroque building as a focal point.

Blakey Moor terrace specifically presents an opportunity for an independent/premium restaurant offer. The majority of works to deliver a suitable unit/s for this use would be eligible for Townscape Heritage grant funding and the surrounding public realm work now started will significantly enhance the area.

11-13 Blakey Moor is the only remaining property on the Blakey Moor terrace that is not in the full ownership of the Council with a tenant still in situ.

4. OPTIONS CONSIDERED AND REJECTED

Business continues to trade in the property

The extent of renovation needed to the property means that continuing to trade during construction would not be possible. In addition, re-establishment of the business in the terrace after renovation would not support the regeneration aspiration for the project to attract high quality daytime to evening restaurant and/or leisure uses that will encourage development of a thriving cultural area.

Relocate the business

This was proposed to the tenant and other properties were considered but the tenant has decided to not continue and therefore close his business.

5. POLICY IMPLICATIONS

The development of the Northgate area meets the 'Culture and Life' objective of the Blackburn Town Centre Strategy, the Town Centre SPD and the development of the Town centre in the Local Plan. Specifically, Policy 26 of the Local plan, part 2 applies and supports the delivery of the Blakey Moor Townscape heritage Project. The project also helps to deliver the improvements set out in the Northgate Conservation Area Appraisal and Management Plans. The project also delivers the Heritage priority and ambitions within the Council's 12 point Plan. The project also ties in with the wider development area around the north of the town centre including the cinema development and NPIF investment into improving access across and into the town centre as set out in the December 2017 Executive Board report.

6. FINANCIAL IMPLICATIONS

The compensation payable has been negotiated by the Council's appointed surveyor with all supporting evidence submitted by the leaseholder to substantiate.

7. LEGAL IMPLICATIONS

A Deed of surrender and contract has been agreed and drawn up by the Council's Legal Department and payment made when vacant possession finalised.

8. RESOURCE IMPLICATIONS

Resource demands of this acquisition in terms of officer time will be met by existing Council Growth and Development Department staff, Legal and Property officers. The Townscape Heritage project is coordinated by a Townscape Heritage manager funded by the project.

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

10.1 The Blakey Moor Townscape Heritage Project is a key part of the Council's ongoing Economic Regeneration of Blackburn town centre and the wider borough and the redevelopment of Blakey Moor block including 11-13, 15-17 and 19-29, is an essential part of the successful delivery of the Townscape Heritage Project.

10.2 The Townscape Heritage Project has been consulted upon with members of the public, property owners, businesses and other stakeholders and this consultation informed The Detailed Scheme Plan, Activity Statement and Detailed Plans for Public Realm that were prepared prior to submitting the funding application to the Heritage Lottery Fund.

Consultation events, dialogue with property owners to bring schemes forward and activity have been ongoing.

Information, news and events are available via website www.blakeymoor.co.uk and facebook site <https://www.facebook.com/BlakeyMoor/>

10.3 Alongside this, detailed and ongoing discussions with the previous property owner of 11-17 Blakey Moor and tenant in relation to the project and potential acquisition of property have been ongoing.

10.4 Consultation has demonstrated a high level of support for the Townscape Heritage Project, including acquisition of 11-17 Blakey Moor by the Council to facilitate the development of the full terrace, 11-29 Blakey Moor. Consultation with the property owner has identified that they did not wish to receive a grant to develop the property and their preference would be to sell the properties to facilitate delivery of the project by the Council.

Feedback from consultation with the Heritage Lottery has been that Blakey Moor terrace is a 'Priority Project' and delivery of this is as essential to the wider scheme and funding. Without firm plans to deliver the development of the full terrace, the whole Townscape Heritage Project would be at risk.

Colliers International options appraisal and feedback from market testing concluded that the development of the terrace could deliver wider regeneration benefits, but this would need to include the whole terrace to provide viable floor space and ideally the block should be redeveloped at one time.

Consultation with members of the public and other stakeholders has demonstrated support for the proposed redevelopment and reuse of the building and agreement that this would impact positively on the town's economic and cultural prosperity

11. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and the any Member who has been consulted, and note of any dispensation granted should be recorded below:

VERSION:	1
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CONTACT OFFICER:	Clare Turner & Lee Kinder
DATE:	10/12/2019
BACKGROUND DOCUMENTS:	Town Centre SPD

DIRECTORS - has legal and finance advice been considered?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO