

## REPORT TO THE EXECUTIVE



<b>DATE</b>	<b>5<sup>th</sup> June 2018</b>
<b>PORTFOLIO</b>	<b>Economy and Growth</b>
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## Northwest Burnley Growth Corridor

## PURPOSE

1. The purpose of this report is to:
  - a. Note the decision by the Lancashire Economic Partnership (LEP), to award a £4.9 million grant to fund infrastructure works in Padiham, that will support the redevelopment of the former Baxi site for housing and public realm works that will reinvigorate Padiham Town Centre.
  - b. Seek permission to accept the grant funding offer and delegate authority to officers to complete legal agreements necessary to implement the scheme.

## RECOMMENDATION

2. The Executive is recommended to delegate authority to the:
  - a. Head of Finance and Property in consultation with the Strategic Head of Economy and Growth to accept the Grant Funding;
  - b. Strategic Head of Economy and Growth in consultation with the Head of Legal and Democratic Services (and until that post is filled the Chief Operating Officer) and the Head of Finance and Property to negotiate and agree the terms of the Grant Funding Agreement;
  - c. Strategic Head of Economy and Growth in consultation with the Head of Legal and Democratic Services (and until that post is filled the Chief Operating Officer) to negotiate and agree the terms of a delivery agreement (with Burnley as the funding partner) with the Environment Agency (EA), who are delivery partners on the flood defence scheme;
  - d. Strategic Head of Economy and Growth in consultation with the Head of Legal and Democratic Services (and until that post is filled the Chief Operating Officer) to negotiate and agree the terms of a Section 278 Agreement with Lancashire County Council (LCC), who are delivery partners on the public realm improvements; and

- e. Head of Legal and Democratic Services (and until that post is filled the Chief Operating Officer) to execute all documents necessary to give effect to the decision.
3. The Executive is asked to recommend to Full Council to incorporate the scheme into the Council's Capital Programme.

## REASONS FOR RECOMMENDATION

4. In order to progress the Northwest Burnley Growth Corridor funding agreements, that are essential in delivering the infrastructure works, which will result in the delivery of 240 new homes, to protect Padiham Town Centre from future flooding and to reinvigorate Padiham as a retail destination.

## SUMMARY OF KEY POINTS

### 5. Background

The Northwest Burnley Growth Corridor is a £7.9 million project that aims to deliver two vital infrastructure projects, designed to support housing growth and to revitalise Padiham Town Centre. The infrastructure will:

- a. Remove the Baxi site, 92 existing households and 77 existing business properties in Padiham from significant and very significant flood risk;
- b. Enable the redevelopment of the former Baxi site, with the potential to deliver over 240 much needed new high quality homes; and
- c. Improve and enhance the Town Centre's character, with the aim of increasing footfall and in turn reduce shop vacancy rates.

The project has number of funding sources which are set out below:

Funding Source	Value
<i>LEP Growth Deal Funding</i>	£ 4,892,873
<i>Environment Agency - DEFRA</i>	£ 2,832,000
<i>Padiham Townscape Heritage Funding</i>	£ 180,000
<b>Total</b>	<b>£ 7,904,873</b>

The Northwest Burnley Growth Corridor brings together these two key infrastructure schemes that need to be delivered as a single package of works to ensure that the Baxi site can be delivered, and also ensure the vitality and viability of Padiham Town Centre. The schemes are:

- Flood defence work along the River Calder, which will unlock the development

of over 240 new homes at the former Baxi site; and

- Public realm improvements along Burnley Road in Padiham Town Centre, alongside a wider Town Centre regeneration and heritage scheme.

A breakdown of the funding profile for the project is as follows:

<b>Scheme</b>	<b>Funding Source</b>	<b>Total</b>
<i>Flood defences</i>	<i>£3,000,000 LEP - £2,832,000 DEFRA</i>	<i>£5,832,000</i>
<i>Town Centre Public Realm</i>	<i>£180,000 PTHF – £1,892,873 LEP</i>	<i>£2,072,873</i>

### **Former Baxi Site**

The former Baxi site has been marketed as an employment site since the closure of the former Baxi factory in 2005. However, the nature of the building together with poor HGV access and distance from the strategic road network for commercial vehicles has meant that it has not been an attractive proposition.

According to Environment Agency Flood Maps, the majority of the Baxi site lies in Flood Zone 3b. Whilst there has been a desire from both Burnley Council and the previous landowners to develop this brownfield site for housing, the requirement for a major flood defence scheme (with an estimated cost of approximately £5.8m) has stalled development as it results in the scheme being unviable.

It is now allocated in the Burnley Submission Local Plan for approximately 240 new homes. Adjacent sites currently in employment uses could add a further 70 new homes if brought forward.

Home England (HE) (formerly Homes and Communities Agency) currently owns the majority of the site, and is in negotiations to purchase the remainder of the site along other adjacent sites. HE is currently in the process of demolishing the existing buildings on the site, which is due to complete by the end of Summer 2018. Once complete, HE intends to develop a masterplan for the site and seek a development partner who will build out the scheme.

### **Flood Defences**

The Council is working with the EA, who will act as the delivery partner, to develop a flood defence scheme with a range of interventions that will protect both the Baxi site and the wider Padiham Town Centre.

The Wider Calder Flood Risk Management Scheme (FRMS) seeks to address the unacceptably high level of flood risk to the communities of Padiham, Whalley and Billington. On the 26<sup>th</sup> December 2015, these communities suffered a significant flood event that was caused by a period of prolonged and intense rainfall across the North of England over the Christmas period on catchments that were already saturated. The number of properties that flooded exceeded 160 in Padiham.

Appraisal work by the EA has identified that the proposed flood defence scheme would remove the Baxi site, 92 existing households and 77 existing business properties in Padiham from significant and very significant flood risk.

Delivery of the flood defence scheme would ensure the viability of the Baxi site for much needed larger family homes, and planning permission could only be granted if the flood defence works were put in place.

The flood defence proposals (as seen on the attached indicative plan in Appendix 1) include:

- Flood defence earth embankment at the Baxi site;
- 1.4 km of flood defence walls;
- Flood defence walls at Baxi and around Padiham Town Centre; and
- A combination of flow routing and flood defence walls between buildings around Green Brook.

### **Public Realm Improvements**

A concept public realm scheme has been developed for Padiham Town Centre that will improve and enhance the Town Centre's character, with the aim of increasing footfall and in turn reduce shop vacancy rates.

The Council is working with LCC, who will act as the delivery partner, to deliver public realm improvements in Padiham Town Centre. As part of the partnership, the Council will need to enter into a S.278 Highways Agreement with LCC, and will be responsible for the detailed design and delivery of the scheme.

To support future housing sites around Padiham, including the Baxi site, a programme of interventions is planned in Padiham Town Centre. Most notably there is a £1.4m Townscape Heritage Initiative, which will significantly improve the physical appearance of the town.

The Padiham TH project is focussed on a compact area of mostly Victorian buildings, predominantly in retail use, at the heart of the Padiham Conservation Area, an area known locally as 'The Hill'. The 5 year programme aims to bring back traditional life and vitality to the historic core and renew the appreciation of the town's rich heritage and strong connections with the Shuttleworths of Gawthorpe Hall, by focussing on:

- Repair and restoration works to buildings.
- Public realm scheme.
- Wider activity programme.

The Heritage at Risk assessment (2013) for Padiham identified a number of noticeable problems that are contributing to the erosion of character and appearance of the Conservation Area. This included the general condition of the public realm, it further stated that 'the presence of high traffic flows harms the character of the area, both in terms of historic context and as a shopping and leisure environment.

The town centre suffers from a poor pedestrian environment with fast moving vehicles

and heavy goods vehicles passing through. There are also a number of vacant units at present. The Town Centre is also the gateway to the Baxi site and improvements here will give the site greater “kerb appeal”.

Proposals for improved public realm are intended to help improve the overall environment of Padiham Town Centre, increase pedestrian footfall and attract high quality retailers and leisure operators back to Padiham.

The works are designed to ‘lift’ the image of the area and people’s experience of it. Works are expected to result in a reduction to the vacancy rate and support the attraction of a wider range of businesses into the town, which in turn can support the capture of higher levels of expenditure locally.

The public realm (as seen on the attached concept plan in Appendix 2) will start at the St Leonards Mini Roundabout, and run to the Tesco roundabout, and will include:

- Footpath widening
- Street Decluttering
- New high quality materials
- Traffic Calming measures
- Public art feature
- Landscaping

### **Timescales**

It is envisaged that works on both the public realm scheme and the flood, defence scheme will commence in January 2019, completing in March 2020, however, these timescales are subject to change, due to the early nature of the design process.

## **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

6. The Council will be in receipt of £4,892,873 LEP grant funding, and will be responsible for managing this funding and ensuring that the project is within budget. The grant claimed will be based on defrayed expenditure by the Council up until March 2021.

The works are 100% externally funded.

## **POLICY IMPLICATIONS**

7. It is intended that the works completed under this programme contribute to the delivery of new housing sites in the Burnley Local Plan and will contribute towards reinvigorating Padiham Town Centre, supporting the Local Plan’s town centre policies and the Community Strategy objectives on Places and Prosperity.

## **DETAILS OF CONSULTATION**

8. None.

**BACKGROUND PAPERS**

9. None.

**FURTHER INFORMATION**

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**ALSO: Kate Ingram**