



## **Preston, South Ribble and Lancashire City Deal - Combined**

**Wednesday, 20th October, 2021 to be held virtually over Zoom, at  
1.00 pm**

### **Agenda**

#### **Part I (Items Publicly Available)**

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the City Deal Executive meeting held on 13 July 2021 (Pages 1 - 6)**
- 3. Minutes of the City Deal Stewardship Board meeting held on 13 July 2021 (Pages 7 - 12)**
- 4. Matters Arising**
- 5. Declarations of Interest**

#### **Stewardship Board Items (Chaired by Nicola Elsworth)**

- 6. Homes England Quarterly Monitoring Progress Update Report - Q1 and Q2 of 2021/22 (Pages 13 - 22)**

#### **Joint Stewardship Board and Executive Items (Chaired by Mark Rawstron)**

- 7. City Deal Q1 and Q2 Infrastructure Report (Pages 23 - 32)**

#### **Executive Committee Items (Chaired by Mark Rawstron)**

- 8. Parking Levy (Pages 33 - 38)**
- 9. Any Other Business**
- 10. Date of Next Meeting**

The next Combined City Deal Executive and Stewardship Board meeting will be held on Tuesday 7 December 2021 at 2.30pm at County Hall, Preston.

**11. Exclusion of the Press and Public**

The Board is asked to consider whether, under Section 100A(4) of the Local Government Act 1972, it considers that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12A to the Local Government Act 1972 as indicated against the heading to the item.

**Part II (Items that are Private and Confidential)**

**Executive Committee Items (Chaired by Mark Rawstron)**

**12. Preston Western Distributor Update (Pages 39 - 44)**

**Joint Stewardship Board and Executive Items (Chaired by Mark Rawstron)**

**13. City Deal Finance Monitoring Report Qtr 2 2021/22 (Pages 45 - 52)**



## CITY DEAL

Preston, South Ribble & Lancashire

### **Preston, South Ribble and Lancashire City Deal - Executive Board**

### **Minutes of the Meeting held on Tuesday, 13th July, 2021 at 2.00 pm in Zoom**

#### **Present**

Mark Rawstron

Councillor Matthew Brown

County Councillor

Councillor Paul Foster

Phillippa Williamson

#### **In Attendance**

Karl Tupling, Director of Emerging and Developing Markets, Homes England

Angie Ridgwell, Chief Executive and Director of Resources, Lancashire County Council

Gary Hall, Interim Chief Executive, South Ribble Borough Council

Adrian Philips, Chief Executive, Preston City Council

County Councillor Aidy Riggott, Cabinet Member for Economic Development and Growth, Lancashire County Council (nominated City Deal observer)

Councillor Mick Titherington, Deputy Leader, South Ribble Borough Council

Joanne Ainsworth, Principal Accountant, Lancashire County Council

Laura Sales, Director of Corporate Services, Lancashire County Council

Marcus Hudson, Planning Manager, Lancashire County Council

Martin Hill, Skills & Employment Coordinator, Lancashire Skills Hub

Nicola Elsworth, Head of Planning and Enabling, Homes England

Phil Green, Director of Growth, Environment and Planning, Lancashire County Council

Phil Wilson, Central Lancashire Master Plan Delivery Manager, Lancashire County Council

Sarah Parry, City Deal Programme Manager, Lancashire County Council

Stephen Young, Executive Director of Growth Environment Transport and Community Services, Lancashire County Council

Steve Burns, Head of Service - Strategic Development, Lancashire County Council

Bryan Magan, Democratic Services Manager, Lancashire County Council

Sam Parker, Senior Democratic Services Officer, Lancashire County Council

Craig Alker, Business Support Officer, Lancashire County Council

#### **1. Welcome and Apologies for Absence**

The Chair welcomed everyone to the meeting.

It was noted that County Councillor Phillippa Williamson had joined the meeting as the new Leader of Lancashire County Council with County Councillor Aidy Riggott as her nominated observer.

No apologies were received.

**2. Minutes of the City Deal Executive meeting held on 3 February 2021**

**Resolved:** That the minutes of the City Deal Executive Board meeting held on 3 February 2021 were approved as an accurate record and signed by the Chair.

**3. Minutes of the City Deal Stewardship Board meeting held on 3 February 2021**

**Resolved:** That the minutes of the City Deal Stewardship Board meeting held on 3 February 2021 were approved as an accurate record and signed by the Chair.

**4. Matters Arising**

There were no matters arising.

**5. Declarations of Interest**

No declarations of interest were made.

**6. Homes England Quarterly Monitoring Progress Update Report - Q4 2020/21**

Nicola Elsworth, Head of Planning and Enabling, Homes England presented a report which updated the City Deal Stewardship Board members about progress with Homes England sites during Quarter 4 of 2020/21.

Updates were provided on the progress made across the Homes England portfolio and it was noted that a good level of completion had been carried out during Q4 of 2021/21. The completions included:

- 11 completions at Cottam Hall;
- 24 completions at Eastway;
- 12 completions at Altcare Lane;
- One final unit was remaining to be completed at Croston Road South; and
- 15 completions at Walton Park Link.

Further updates were also provided on the successful land sales carried out during Q4, which included:

- The unconditional sale of Plot 14 at Cottam Hall to Countryside and the conditional sale of Plot 15 to Barratt Homes;
- The Local Centre at Cottam Hall was also disposed of to Thistlewood for a new Co-Op; and
- The commercial plot at the Land at Eastway was sold to HSB Healthcare.

In terms of the financial position of the City Deal, it was noted that the repayment of the grant was still on track to be repaid by 2023/24.

It was noted that on the last agenda from the meeting on 3 February 2021, there was an item listed on Affordable Housing Provision Update and a request was made for this item to appear on future agendas.

Responding, it was noted that there was already a section on affordable housing provision in the report and the item that was listed on the previous agenda was more of a broader report and concerns were subsequently raised about if the City Deal Board was the right forum for those sorts of broader discussions to take place. Homes England was willing to discuss this outside of the meeting with officers to determine a way forward.

It was also noted that Homes England would be writing out to the councils shortly regarding the re-opening of the housing revenue accounts.

**Resolved:** That;

- i. The City Deal Stewardship Board noted the contents of the report and the progress made by Homes England during Quarter 4 of 2020/21; and
- ii. A meeting to be arranged between Homes England and the appropriate officers from each council to identify the correct forum to report affordable housing provision moving forward.

## **7. City Deal Employment and Skills, Social and Economic Impact Update**

Martin Hill, City Deal Skills and Employment Coordinator, Lancashire Skills Hub presented a report which provided an update on the delivery of Employment and Skills and Social Value across the City Deal project portfolio.

In presenting the report, the following points were highlighted:

- The City Deal outputs for skills and employment would be updated in November 2021 following the end of the academic year and reported back to the Board at the next available meeting.
- The impact of COVID-19 was continuing to be reflected in the data that is being presented to the Board and it was noted that apprenticeship data was not very positive in terms of the employments starts and completions. In addition, COVID-19 was continuing to impact on school engagement activities.
- The figures in relation to the construction section were becoming increasingly positive in terms of the recruitment and workforce numbers.
- Preston Western Distributor had generated some very positive results in Social Value during the first year of construction of the project.

**Resolved:** That, the City Deal Executive and Stewardship Board noted the report and the Employment and Skills Case study attached at Appendix 'A' of the report.

## **8. City Deal Q4 Infrastructure Report**

Sarah Parry, City Deal Programme Manager, presented a report which provided a progress update on the City Deal infrastructure projects during Quarter 4 of 2020/21.

It was noted that during Quarter 4 of 2020/21, two schemes were completed. These were the Fishergate Central Gateway and the Hutton to Penwortham Corridor improvements that were required as part of the planning condition for the

Penwortham Bypass.

The Board was informed that normally the end of year performance report would have appeared as an item on the agenda for this meeting but there were delays in the production of the report due to it taking longer than expected to receive the housing forecasts. However, it was noted that the housing forecasts had now been received and a report would be circulated to the Board shortly.

**Resolved:** That, the City Deal Executive and Stewardship Board noted the report and appendices.

## **9. A582 South Ribble Western Distributor - Update**

Marcus Hudson, Planning Manager, Lancashire County Council, presented a report which provided an update on the A582 South Ribble Western Distributor.

It was noted that in July 2020, the City Deal Executive and Stewardship Board agreed to a budget allocation of circa £1.5m to cover the development work that would be needed. The project team was confident that further costs would be contained within this budget allocation.

It was further noted that although some activities had been progressing, some activities were not able to be progressed, most notably the design activity work on the rail structures which was awaiting legal and procurement deliberations. However, it was noted that work was expected to continue towards the end of July 2021.

**Resolved:** That, the City Deal Executive noted the report.

## **10. City Deal Review Update**

Sarah Parry, City Deal Programme Manager, presented a report which provided an update following the last meeting, on progress with the City Deal.

In presenting the report, the following points were highlighted:

- Since the last meeting of the board, a number of meetings had taken place between Government Officials and MPs, with the Leaders and Chief Executives to progress and escalate the New Homes Bonus (NHB) issue.
- Following activity in establishing each of the council's interpretation of the original Heads of Terms, it was noted that the interpretation had now been established and had identified some areas that required further discussions between the Chief Executives.
- It was expected that a clarified Heads of Terms, with a revised and updated financial model would be available by the end of the month. This would accommodate the new forecasting of the housing and commercial sites and would enable the councils to have a discussion around the prioritisation of schemes.

In terms of the separate discussions being held with the Chief Executives around

the financial models, it was requested if a separate meeting could be held outside of the Board with Homes England to better understand the dynamics of the Homes England National Board report and what would be required.

**Resolved:** That;

- i. The City Deal Executive noted the report; and
- ii. A meeting be arranged between the Chief Executives and Homes England to understand the dynamics of the National Board report and what would be required.

#### **11. Any Other Business**

There was no other business to be considered in Part I of the agenda, but this item would be re-visited in Part II.

#### **12. Date of Next Meeting**

It was noted that the next Combined City Deal Executive and Stewardship Board meeting was scheduled for Monday 4 October 2021 at 2.30pm, via Zoom.

However, the Board requested if consideration could be given to holding the next meeting in person at County Hall, Preston. Democratic Services would look into this and make the necessary arrangements following consultation with the Chair.

#### **13. Exclusion of the Press and Public**

**Resolved:** That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A of the Local Government Act 1972, as indicated against the heading of each item. It is considered that in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

#### **14. Preston Western Distributor Update**

Phil Wilson, Central Lancashire Master Plan Delivery Manager, Lancashire County Council presented a private and confidential report which provided an update on the programme and financial position of the Preston Western Distributor Scheme.

While presenting the report, a video was shown to the Board of the Preston Western Distributor, showing the current progress made during the development. The Board was pleased to see the video, as it provided a visual representation of the work being carried out.

Following questions raised by the Board, the costs outlined in the report were clarified.

**Resolved:** That, the City Deal Executive noted the current programme and financial position of the Preston Western Distributor Scheme.

## **15. City Deal Finance Monitoring Report - Quarter 4 2020/21**

Joanne Ainsworth, Principal Accountant, Lancashire County Council presented a private and confidential report which provided a regular update on the City Deal Infrastructure Delivery Fund as at 31 March 2021.

It was noted that the lateness of the report had been caused by the delay in receiving the housing statistics from the districts which had been received after the agenda for the meeting was published, due to competing demands on staff resources.

In terms of the expenditure, it was noted that historically the forecast had included the costs for all completed schemes, the agreed budget for the schemes being completed and also the budget allocation for the other schemes not yet approved by the Board. However, the report no longer included the last category (budget allocations) as there had been a pause on spend in place for over a year as part of the City Deal review.

**Resolved:** That, the City Deal Executive and Stewardship Board:

- i. Noted the March 2021 Finance Update; and
- ii. Noted the work ongoing and required to be resolved to address the deficit forecast in the infrastructure delivery model.

## **16. Any Other Business**

The Chair invited the Board to raise any other business to be discussed and the following points were raised:

- The urgency relating to the discussions on the revised Heads of Terms was re-iterated, as several schemes were on hold until the revised Heads of Terms would be approved.
- A discussion should be held outside the meeting relating to the pressures on schools' places due to the amount of new homes being built.
- That the Lancashire Economic Development Officers Group (LEDOG) be requested to research the pros and cons of Workplace Levy Schemes introduced elsewhere in the UK as a means of funding improvements to Public Transport interventions.

The Board passed on their thanks to all officers who helped produced the reports for the meeting.





## CITY DEAL

Preston, South Ribble & Lancashire

### **Preston, South Ribble and Lancashire City Deal - Stewardship Board**

### **Minutes of the Meeting held on Tuesday, 13th July, 2021 at 2.00 pm in Zoom**

#### **Present**

Karl Tupling

Angie Ridgwell  
Gary Hall

Adrian Philips  
Mark Rawstron

#### **In Attendance**

County Councillor Phillippa Williamson, Leader, Lancashire County Council  
Councillor Matthew Brown, Leader, Preston City Council  
Councillor Paul Foster, Leader, South Ribble Borough Council  
County Councillor Aidy Riggott, Cabinet Member for Economic Development and Growth, Lancashire County Council (nominated City Deal observer)  
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Marcus Hudson, Planning Manager, Lancashire County Council  
Martin Hill, Skills & Employment Coordinator, Lancashire Skills Hub  
Nicola Elsworth, Head of Planning and Enabling, Homes England  
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Phil Wilson, Central Lancashire Master Plan Delivery Manager, Lancashire County Council  
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**Resolved:** That, the City Deal Executive and Stewardship Board:

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The Board passed on their thanks to all officers who helped produced the reports for the meeting.



Homes  
England



CITY DEAL  
Preston, South Ribble & Lancashire

Making homes happen

## CITY DEAL EXECUTIVE & STEWARDSHIP BOARD 20<sup>th</sup> October 2021

Homes England Quarterly Monitoring Progress Update Report

Quarter 1 and 2 of 2021 / 22

OFFICIAL

Agenda Item 6

**1. Report Overview**

- 1.1. This report provides an update on the progress that has been made in relation to Homes England sites that form part of the Preston, South Ribble and Lancashire City Deal. The update relates to activity that has taken place during the first and second quarters of the 2021 / 22 financial year, between 1<sup>st</sup> April and 30<sup>th</sup> September 2021.
- 1.2. The report focuses on key delivery milestones, finances invested, and outputs generated, and provides a breakdown of the key risks and any emerging issues relevant across the portfolio of Homes England City Deal sites.

**2. Recommendation**

- 2.1. Homes England recommends that the City Deal Executive and Stewardship Board:

*Note the content of this report and the progress made by Homes England during the first two quarters of the 2021 / 22 financial year.*

**3. Homes England Site Highlights**

- 3.1. During the previous financial year 2020/21, the global pandemic 'Covid-19' impacted the delivery of development across all of Homes England's City Deal sites.
- 3.2. Developer operations ceased for a period during the first national lockdown in Q1 2020/21, and whilst construction resumed, delivery was then further affected by materials shortages caused by supply chain issues and a lack of staff and equipment following the second and third national 'lockdowns' that took place 31<sup>st</sup> October – 2<sup>nd</sup> December 2020, and 6<sup>th</sup> January to 12<sup>th</sup> April 2021 respectively. Development across all sites continues, with the pace of delivery now back to pre-Covid rates.
- 3.3. Key highlights from the first and second quarters of 2021 / 22 are set out in the table below:

Phase / Plot	Status	Completions/ Total Units	Completions (Jan – Mar)	Finance (Jan – Mar)	Summary
<b>1. Cottam Hall</b>					
Phase 1	Phase 1 completed by Barratt Homes	104 / 104 (100%)	n/a	n/a	Build-out of site complete



Phase 2	Story Homes on-site	138 / 283 (48%)	4	n/a	Build out of the site ongoing. 4 completions achieved Q1 / Q2 of 2021 / 22
Phase 3	Morris Homes on-site	44 / 119 (21%)	19	n/a	Build out of the site ongoing. 19 completions achieved Q1 / Q2 of 2021 / 22.
Phase 4	Unconditional deal agreed with Rowland Homes March 2021	2 / 138 (1%)	2	n/a	Site build-out has commenced. 2 open market completions were achieved in Q2 2021 / 22
Phase 5	Barratt Homes reserved matters application pending decision	0 / 215 (0%)	n/a	n/a	Barratt Homes selected as preferred developer partner in March 2021 under conditional contract. Reserved matters submitted Q1 2021 / 22 with decision anticipated Q3 2021 / 22.
Phase 6 (Plot 14)	Countryside on-site delivery	25 / 68 (37%)	25	n/a	Site build-out has commenced. 25 units have been completed in Q1 and Q2 of 2021 / 22
Phase 6 (Plot 15)	Start on site made Q2 2021 / 22	0 / 117 (0%)	n/a	n/a	Site disposed of on a conditional basis to Barratt Homes in March Q4 2019 / 20. Reserved matters consent achieved February 2021. Start on site achieved Q2 2021/22 first completions anticipated Q3 2021 / 22.
Local Centre	Start on site made Q1 2021. Completion anticipated Q3 2021 / 22	n/a	n/a	n/a	Unconditional deal agreed with Thistlewood Properties in October 2020. Build out of site anticipated to complete Q3 2021 / 22.
<b>2. Cottam Brickworks</b>					
Access agreement	Commercial discussions ongoing	0 / 260 (0%)	n/a	n/a	Commercial discussions ongoing
<b>3. Land at Eastway</b>					
Residential Plot	Story Homes on-site completing build out	142 / 329 (43%)	8	n/a	Built out of site on-going. 8 completions achieved in Q1 / 2 of 2021 / 22.
Commercial Plot	Site under conditional contract with HSB Healthcare	n/a	n/a	n/a	Site under conditional contract with HSB Healthcare. Planning application submitted September 2020. Decision pending.

4. Whittingham Hospital						
Phase 1	Taylor Wimpey has completed Phase 1	150 / 150 (100%)	n/a	n/a	n/a	Taylor Wimpey has completed build out of Phase 1.
Phase 2	Preferred bidder Barratt David Wilson selected Q4 2019/20.	0 / 248 (0%)	n/a	n/a	n/a	Reserved matters consent granted Q4 2020 / 21. Start on site commenced under licence Q1/2 2021 / 22, building lease still to complete.
Phase 3 (A,B and C)	De-risking of asset ongoing prior to disposal (forecast in 3 phases)	0 / 238 (0%)	n/a	n/a	n/a	De-risking of asset ongoing prior to disposal (forecast in 3 phases). Phase A at conditional stage with reserved matters application decision pending. Phase B anticipated to be marketed Q3 2021 / 22.
Phase 4	De-risking of asset ongoing prior to disposal	0 / 273 (0%)	n/a	n/a	n/a	Phase 4 anticipated to be marketed Q3 2021 / 22
5. Preston East						
Expansion Area	Marketing of site concluded Q2 2020/21. Finalising HoT with preferred bidder.	c.62,500 sq m employment floorspace	n/a	n/a	n/a	Homes England finalising heads of terms with preferred bidder. Exchange of conditional contract (subject to planning) anticipated Q3 2021 / 22.
Sector D	Build-out of site complete.	n/a	n/a	n/a	n/a	Build-out of site complete.
6. Pickerings Farm						
n/a	Outline planning application resubmitted	0 / 275 (0%) no. of Homes relate to Homes England land only	n/a	n/a	n/a	Revised outline planning application submitted Q2 2021/22. Decision pending.
7. Altcar Lane						
n/a	Continued build-out of site by Lovell	85 / 200 (43%)	14	n/a	n/a	14 completions have been achieved during Q1 and 2 of 2021/22
8. Croston Road North						
n/a	Build out of site ongoing	0 / 400 (0%)	n/a	n/a	n/a	Start on site made during Q4 2020/21. Build out of site ongoing with first units anticipated to be completed Q3 2021 / 22.

9. Croston Road South						
Phase 1	Miller Homes has completed Phase 1	96 / 96 (100%)	n/a	n/a		Miller Homes has completed build out of Phase 1
Phase 2	Miller Homes on-site	79 / 79 (100%)	o	n/a		Build out of site completed Q4 2020 / 21
10. Brindle Road						
n/a	Complete	46 / 46 (100%)	n/a	n/a		All units completed and all finances paid.
11. Walton Park Link						
n/a	Morris Homes on site	73 / 293 (25%)	o	n/a		Build out of site ongoing

#### 4. Finance

- 4.1. Homes England is currently still on track to pay most of the £37.5 million grant by 2023 / 24, however following a review of this position under the Homes England Business Disposal Plan (BDP) Refresh (2020 / 21 – 2023 / 24); some grant is now envisaged to be paid up to 2030 in relation to Croston Road North, unless the grant cap is reached sooner in line with the Financial Agreement.
- 4.2. In summary, during Q1 and Q2 of 2021 / 22, the following grant and loan payments were made to LCC:
- 4.2.1. A loan payment of £111,358 and grant payment of £1,028,642 was made in May 2021 in relation to the sale of land at the Eastway commercial site;
  - 4.2.2. A subsequent grant payment of £550,000 was made in June 2021 in relation to overage received on the Eastway residential site;
  - 4.2.3. A loan payment of £2,714,530 was made in June 2021 in relation to the sale of Plot 15 on Phase 6 at Cottam Hall; and
  - 4.2.4. A grant payment of £2,944,257 was made in September 2021 in relation to the receipt of a deferred payment at the Eastway residential site.

## 5. Affordable Housing Provision

- 5.1. The table below provides a break-down of the on-site affordable homes provision achieved across Homes England’s City Deal sites.
- 5.2. All sites are delivering policy compliant levels of affordable housing either through on-site provision or off-site contributions, except for Whittingham where viability issues have led to a lower level of affordable being provided.

City Deal Site	Total Units Across Site with Planning Consent		Total Units anticipated to be delivered across Homes England Land Only	Of which: Open Market Sales	Of which: Affordable / Social Rent / Shared Ownership	Of which: Percentage Affordable (on-site)	Off-site contribution made for affordable housing? (Y/N)	Completions to date across Homes England Land Only	Of which: Affordable / Social Rent / Shared Ownership	
	Granted	Awaited								
1	Cottam Hall	Up to 1,100	-	1,044	695	349	33%	N	313	96
2	Cottam Brickworks*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3	Land at Eastway	329	-	329	280	49	15%	Y	142	15
4	Whittingham Hospital****	909	-	909	751	158	17%	Y	150	17
5	Preston East EA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6	Pickering’s Farm **	-	275	275	TBC			0	0	
7	Altcar Lane	200	-	200	140	60	30%	N	85	41
8	Croston Road North	400	-	399	340	59	15%	Y	0	0
9	Croston Road South***	254	-	175	149	26	15%	Y	175	26
10	Brindle Road	46	-	46	46	n/a	n/a	Y	46	0
11	Walton Park Link*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total</b>		<b>3,238</b>	<b>275</b>	<b>3,377</b>	<b>2,491</b>	<b>701</b>	<b>n/a</b>	<b>n/a</b>	<b>911</b>	<b>195</b>

\* The landowner / developers at Cottam Brickworks and Walton Park Link are responsible for obtaining planning consent for the development proposed, not Homes England.

\*\* The 275 units at Pickering’s Farm relate to the original Homes England land forming part of the original City Deal agreement.

\*\*\* The 254 units shown as granted comprise: Phase 1 (175 units) completed by Miller Homes, and Phase 2 (79 units) currently under construction.

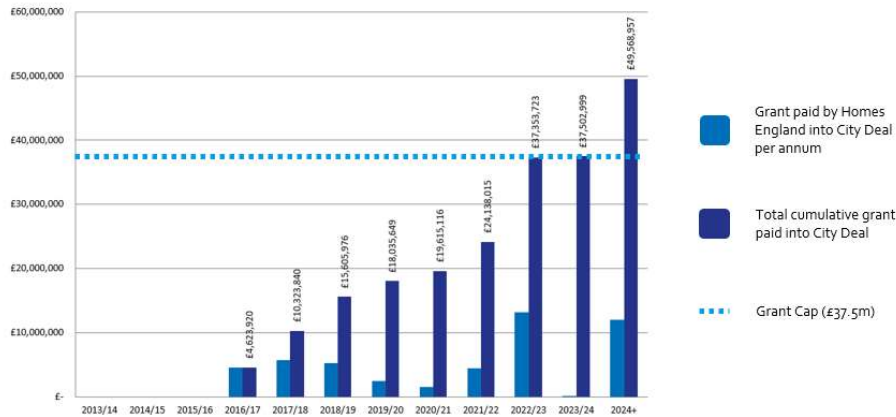
\*\*\*\* Due to viability a lower affordable housing percentage was agreed at the Whittingham site. The 15% on-site provision of affordable housing shown at Whittingham is an average taken across the site’s four development phases. Subject to local requirements, there is potential for an additional off-site contribution to be made towards affordable housing through the re-provision of an education contribution agreed for Phase 4.

## 6. Summary of Delivery

- 6.1. With on-site delivery less affected by the impact of Covid-19, alongside a strong housing market supported by the stamp duty holiday; development has progressed well across Homes England's City Deal sites during the first two quarters of 2021 / 22.
- 6.2. Several milestones and completions have been achieved including:
  - 6.2.1. Total grant payments of £4,522,899 made to LCC on the back of sales or disposals at Eastway and Cottam Hall sites;
  - 6.2.2. Total loan payments of £2,825,888 made to LCC on the back of sales or disposals at Eastway and Cottam Hall sites;
  - 6.2.3. Start on site made at Croston Road North by Keepmoat;
  - 6.2.4. 50 units completed across various phases at Cottam;
  - 6.2.5. 14 housing completions at Altcar Lane; and
  - 6.2.6. The re-submission of an outline planning application for development at Pickering's Farm.

# APPENDIX I - DASHBOARD

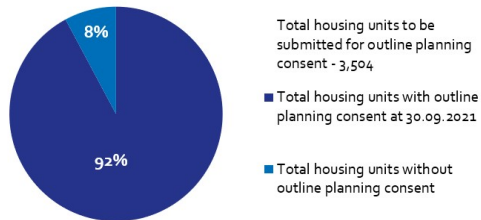
## Summary of BDP Payments



## BDP Forecast 2020 / 21

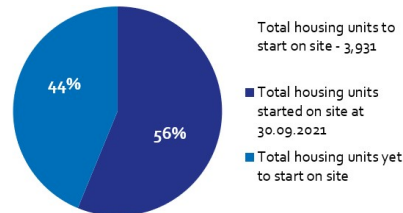
	Q1	Q2	Q3	Q4	In Year Total
Grant	£1.5m	£2.9m	£0	£0	£4.5m
Loan	£2.8m	£0	£0	£0	£2.8m
In year Housing Completions	85		0	0	85

## Planning Consents



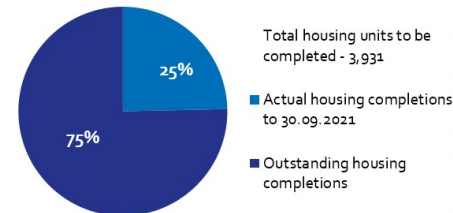
Of the Homes England residential City Deal sites, only Pickering's Farm is yet to achieve planning consent.

## Starts on Site



Housing starts have been claimed for 2,210 units on Homes England City Deal sites to date, out of a total 3,931 units (including Walton Park Link and Cottam Brickworks).

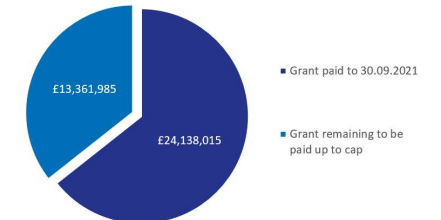
## Housing Completions



There have been 969 housing completions to date across Homes England's 11 City Deal sites.

There were 85 housing completions during this reporting period on Homes England sites.

## Grant Payments



To date, £24,138,015 has been paid to LCC as grant, with around £13 million remaining to be paid before the grant cap of £37.5million is reached



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England

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## CITY DEAL

Preston, South Ribble & Lancashire

### **CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD**

**Private and Confidential: NO**

**Date:** Wednesday, 20 October 2021

#### **City Deal Q1 and Q2 Infrastructure Report**

(Appendix 'A' refers)

**Report Author: Homairah Sheth, Tel: 01772 536556,  
homairah.sheth@lancashire.gov.uk**

#### **Executive Summary**

This report provides a progress update on the City Deal infrastructure projects during Quarter 1 and Quarter 2 (April – September 2021) against the approved Infrastructure Delivery Programme (IDP) for those projects that are currently underway.

The monitoring report shows that only those projects where there is a contractual, planning or health and safety obligation to meet, are currently being progressed, with all other non-committed funding being paused, pending the outcome of the City Deal Review, as agreed by the Executive in March 2020.

The report confirms that overall, good progress continues to be made on the Preston Western Distributor. The Saddle Roundabout is now complete and open to traffic and work is progressing across all areas of the project including the major structures and earthworks. The scheme is reporting as amber due to the steel bridge supplier entering administration, however negotiations with the administrator provided a positive outcome in completing fabrications of beams for the project. The beams are currently progressing as agreed but this remains a risk until completion which is anticipated in Q3.

A station and platform design have been produced for the Cottam Parkway station to support the planning application which is anticipated for submission in 2022. Work is also progressing on the outline business case.

The funding contribution for the Lancaster Canal Towpath has been signed and works have started on the project ahead of schedule.

In summary, there are currently 11 projects in the programme. Three projects are reporting as 'green' without any significant issues. 1 project is report 'amber' due to the steel bridge supplier entering administration and the remaining 7 projects are reporting as 'red' to reflect the current pause on spend.



## Recommendation

The City Deal Executive and Stewardship Board is asked to note the report and appendices.

## Background and Advice

### 1. Quarter 1 and Quarter 2 – Project Performance (April – September 2021)

1.1 A quarter 1 and quarter 2 detailed scheme performance schedule is attached as Appendix A. This provides comprehensive information on all of the schemes in the programme and details their performance. A red, amber, green ('RAG') rating is applied to all projects in order to demonstrate the current status of the scheme, i.e. whether it is progressing as planned or otherwise. Table 1 provides a summary snapshot of the current status of schemes in the programme based on RAG status.

2.1 The ongoing discussions and negotiations regarding the future funding of the City Deal resulted in the Executive and Stewardship Board implementing a pause on all 'uncommitted' project spend at the meeting on 3 March 2020. This situation is ongoing with some exceptions agreed which are:

- Schemes where works are already contractually committed
- Schemes that are bound by planning permission requirements
- Works to schemes that are required in order to ensure safe and effective operation of the highway
- A small number of funding approvals given by the Executive in July 2020 for Preparation of the A582 Outline Business Case and contribution towards the Cottam Parkway Project.

**Table 1: City Deal Project Performance Summary table – Q1 and Q2 April – September 2021**

Scheme name	Stage	Status
<b>Current City Deal Projects</b>		
Preston Western Distributor (PWD)/East West Link Road	On site	Amber
Cottam Parkway	Outline Business Case	Green
Lancaster Canal Towpath	On site	Green
Bamber Bridge – Urgent Health & Safety Works	Design	Green
<b>Projects awaiting approval to proceed to next stage, pending City Deal mid-term review</b>		
PWD to Samlesbury - New Hall Lane Local Centre	Awaiting final resurfacing	Red
Guild Wheel Upgrade Link - P1 Bluebell Way	Pre-Planning	Red



# CITY DEAL

Preston, South Ribble & Lancashire

Harris Museum/Library	Pre-Planning	
Animate	Pre-Planning	
A582 Dualling	Design	
Lancashire Central Off-Site Road Infrastructure	Design	
Bamber Bridge Local Centre	Awaiting final Resurfacing works	
<b>Future Pipeline Projects</b>		
Moss Side Test Track road infrastructure	Planning	N/A
The Lanes Link Road	Pre-planning	N/A
North West Preston Linear Park	Pre-planning	N/A
Preston Education: 1 primary school NWP (2 form entry) 1 primary school (1.5 form entry) 1 secondary school – NWP 1 primary school Cottam Hall 1 primary school (Whittingham Hospital)	Pre-planning	N/A
South Ribble Education: 1 new primary school at Moss Side Test Track 1 new primary school at Pickering's Farm	Pre-planning	N/A
South Ribble priority corridors and local centres: <ul style="list-style-type: none"> <li>Hutton to Higher Penwortham Public Realm Improvements</li> <li>North of Lostock Lane</li> <li>South of Lostock Lane</li> </ul>	Pre-planning	N/A
Preston priority corridors and local centres: <ul style="list-style-type: none"> <li>Broughton/Fulwood (South of M55)</li> <li>NW Preston/Cottam/Ingol/City Centre</li> <li>Warton to PWD – Corridor</li> <li>Longridge/Grimsargh/Ribbleton/City Centre</li> <li>PWD to Samlesbury - Corridor</li> </ul>	Pre-planning	N/A

## List of Background Papers

Paper	Date	Contact/Tel
None		



# CITY DEAL

Preston, South Ribble & Lancashire

Reason for inclusion in Part II, if appropriate

N/A



Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Quarter 1 & Quarter 2 update (refer to project plan milestones)	Project Status (RAG)
<b>Current City Deal Projects</b>							
<b>Preston Western Distributor &amp; East West Link Road</b>  Lancashire county Council Phil Wilson <a href="mailto:Phil.Wilson@lancashire.gov.uk">Phil.Wilson@lancashire.gov.uk</a>	7869	Major new road linking Preston and southern Fylde to the M55 to support new housing development and improve links between the LEP's Enterprise Zones.	On-site	£207.470m	£113.802m	<b>No milestones in Q1 or Q2</b>  <b>Q1 Update:</b> Progressing well on all areas including major structures and earthworks Saddle Roundabout complete and open to traffic  <b>Q2 Update:</b> Continued good progress Beam erection commenced on the Savick Brook Viaduct Final major earthworks operation (Saddle Roundabout to M55) proceeding well  <b>Looking Forward:</b> Consolidation of position during winter months, undertaking non weather susceptible operations.  Scheme is amber due to the steel bridge beam supplier (Cleveland Bridge UK) entering administration, however negotiations with administrator provided positive outcome in completing fabrications of beams for the project. The beams are currently progressing as agreed but remains a risk until completion which is anticipated in Q3.	●
<b>Cottam Parkway</b>  Lancashire County Council Joanne Hudson <a href="mailto:Joanne.Hudson@lancashire.gov.uk">Joanne.Hudson@lancashire.gov.uk</a>	597	New railway station at Cottam	Outline Business Case	£c.25m  (CD commitment £1.6m)	£0.365k  (Spend relates to CD commitment)	<b>No milestones in Q1 or Q2.</b>  <b>Q1 Update:</b> <ul style="list-style-type: none"> <li>- Work has progressed on the design of the station, car park and access road</li> <li>- Work is underway on a revised scheme cost estimate</li> <li>- Outline business case is progressing alongside the design which will inform the car parking requirements</li> <li>- Geotechnical and ecological surveys underway</li> </ul> <b>Q2 Update:</b> <ul style="list-style-type: none"> <li>- A station and platform design and a cost estimate has been produced by Jacobs to Grip 3 stage and to a level of detail to support a planning application</li> <li>- The design proposes a station building incorporating a ticket hall, passenger waiting area and WC facilities, additionally there will be two single face platforms with a passenger waiting shelters, secondary means of escape (SME) from the platforms, a station footbridge (pedestrian) with associated stairs and lifts to allow passenger transfer from one platform to the other.</li> <li>- A surface level car park is proposed with electrical vehicle charging points for minimum 15% of spaces</li> </ul> <b>Looking Forward:</b> <ul style="list-style-type: none"> <li>- Ongoing discussions with landowners are proposed in Q3</li> <li>- The planning consultation to take place from 6 December 2021 – 31 January 2022</li> <li>- The planning application anticipated for submission in Q1 2022</li> </ul>	●
<b>Lancaster Canal Towpath</b>  Preston City Council Drew Gough <a href="mailto:Dr.gough@preston.gov.uk">Dr.gough@preston.gov.uk</a>	4317 & 5374	Improvements between bridge 16 to bridge 19	On site	£333k	£0.028k	<b>No milestones in Q1.</b> <b>Q2 milestone - Detailed design &amp; contract documents complete</b>  <b>Q1 update:</b> <ul style="list-style-type: none"> <li>- The funding contribution finalised and signed by Canals and Rivers Trust and Preston City Council ahead of schedule.</li> </ul> <b>Q2 update:</b> <ul style="list-style-type: none"> <li>- Works have started on site, anticipated completion in Q4 ahead of schedule.</li> </ul>	●



Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Quarter 1 & Quarter 2 update (refer to project plan milestones)	Project Status (RAG)
<b>Bamber Bridge – Urgent Health &amp; Safety Works</b>  Lancashire county Council Sarah Delaney <a href="mailto:Sarah.Delaney@lancashire.gov.uk">Sarah.Delaney@lancashire.gov.uk</a>	11308	Bus stop improvements at Station Road and near the railway station.	Design	£47.5k	£0.005k	<b>No milestones in Q1 or Q2.</b>  <b>Q1 Update:</b> Consultation and TRO advertisements ongoing for the northern stops at Station Road Concept design for the southern stops underway ahead of schedule  <b>Q2 Update:</b> Consultation on northern bus stops ongoing  <b>Looking Forward:</b> Concept design approval, programming and installation of the northern stops (subject to consultation/cabinet approval) Cabinet approval for northern and southern stops	
<b>Projects awaiting approval to proceed to next stage, pending City Deal mid-term review</b>							
<b>PWD to Samlesbury - New Hall Lane Local Centre</b>  Lancashire county Council Marcus Hudson <a href="mailto:Marcus.hudson@lancashire.gov.uk">Marcus.hudson@lancashire.gov.uk</a>	1979	Improvements to the road space and redesigned junctions to benefit buses, cyclists and pedestrians, and public realm improvements to streets, pedestrian areas and green spaces.	Awaiting final resurfacing	£2.85m	£2.825m	Major works complete, awaiting final resurfacing.  Scheme is red awaiting resolution of the City Deal review.	
<b>Guild Wheel Upgrade Link - P1 Bluebell Way</b>  Preston City Council Russell Rees <a href="mailto:r.rees@preston.gov.uk">r.rees@preston.gov.uk</a>	3005	Additional/alternative off highway link to the Guild Wheel.	Pre - Planning	£120k (CD commitment £60k)	£0 (Spend relates to CD commitment)	Initial design complete.  Scheme is red awaiting resolution of the City Deal review.	
<b>Harris Museum/Library</b>  Preston City Council Tim Joel <a href="mailto:T.Joel@Preston.gov.uk">T.Joel@Preston.gov.uk</a>		Enhanced cultural offer for city and Central Lancashire as part of Harris Museum/Library improvements (HLF Bid)	Pre - Planning	£10m (CD commitment £1m)	£0 (Spend relates to CD commitment)	<b>Q1 Update:</b> <ul style="list-style-type: none"> <li>- National Lottery Heritage granted permission to commence work</li> <li>- Development of Towns Fund business case</li> <li>- Commencement of key procurement processes</li> <li>- Fundraising continues to support works to the 2<sup>nd</sup> floor</li> </ul> <b>Q2 Update:</b> <ul style="list-style-type: none"> <li>- Construction procurement commenced in July 2021</li> <li>- Towns Fund business case complete</li> <li>- 2<sup>nd</sup> floor plans developed by RIBA Stage 3</li> <li>- Funding application submitted to the Wolfson Foundation and Garfield and Weston Trust to support 2<sup>nd</sup> floor plans</li> </ul> <b>Looking forward:</b> <ul style="list-style-type: none"> <li>- Approval of Towns Fund Business Case</li> <li>- Harris Museum closes in October 2021</li> <li>- Main contractor awarded in April 2022</li> <li>- Construction commences in 2022</li> </ul> Scheme is red awaiting resolution of the City Deal review.	
<b>Animate</b>  Preston City Council John Crellin <a href="mailto:j.crellin@preston.gov.uk">j.crellin@preston.gov.uk</a>		Multi-screen cinema, bowling alley, 6 restaurant units and 163 car parking spaces/public space.	Pre - Planning	£40m (CD commitment £3.250m)	£0 (Spend relates to CD commitment)	<b>Q1 Update:</b> <ul style="list-style-type: none"> <li>- Ongoing dialogue with commercial advisors regarding PCC business plan and Covid-19 impact</li> <li>- Remobilisation of full design team following Covid pause</li> <li>- Agreement of milestones to enable access to Town Deal funding contribution</li> </ul> <b>Q2 Update:</b> <ul style="list-style-type: none"> <li>- Continuation of detailed design</li> <li>- Final drafting of Development and Funding Agreement (DFA)</li> <li>- Council approval to enter into DFA</li> <li>- Finalisation of cinema operator requirements and drafting of agreement for lease</li> </ul>	





Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Quarter 1 & Quarter 2 update (refer to project plan milestones)	Project Status (RAG)
						<ul style="list-style-type: none"> <li>- Drafting of Agreement for lease with bowling and food and beverage operators</li> <li>- Drafting of Town Deal funding business case</li> </ul> <p><b>Looking forward:</b></p> <ul style="list-style-type: none"> <li>- Council decision and exchange of DFA</li> <li>- Completion of Towns Fund Business Case</li> <li>- Submission of revised planning application</li> <li>- Enter first occupational leases</li> <li>- Commence on site in 2022</li> </ul> <p>Scheme is red awaiting resolution of the City Deal review.</p>	
<b>A582 Dualling</b>  Lancashire County Council Marcus Hudson <a href="mailto:Marcus.Hudson@lancashire.gov.uk">Marcus.Hudson@lancashire.gov.uk</a>	4586	Highways improvement scheme involving the dualling of the A582 South Ribble Western Distributor.	Design	£68.28m - £117.06m (range)	£24.171m (including completed junctions)	<p><b>Q1 Update:</b></p> <ul style="list-style-type: none"> <li>- The consultants are continuing with the modelling work to meet National Highways request for further information in respect of the planning application</li> <li>- The Network Rail procurement process via the framework agreement has been approved</li> <li>- Design activity for the road and associated landscaping and ecological measures has been paused as reported to the City Deal Executive and Stewardship Board</li> <li>- Archaeological and Geotechnical survey and assessment has continued</li> <li>- Work to reach a sensible pause in the production of the Outline Business Case</li> </ul> <p><b>Q2 Update:</b></p> <ul style="list-style-type: none"> <li>- LCC have resolved the planning issues with National Highways and have confirmed they will be removing their holding objection.</li> <li>- Production of Outline Business Case remains paused awaiting conclusion of road design and progressing the rail structures design.</li> </ul> <p><b>Looking forward:</b></p> <ul style="list-style-type: none"> <li>- Work to resume on the OBC once design and cost preparation is complete</li> <li>- Updated cost estimate and independent verification anticipated no sooner than December 2021</li> </ul> <p>Scheme is red awaiting resolution of the City Deal review and confirmation of full funding with the requisite local funding contribution.</p>	
<b>Lancashire Central Off-Site Road Infrastructure</b>  Lancashire County Council Chris Dyson <a href="mailto:Chris.dyson@lancashire.gov.uk">Chris.dyson@lancashire.gov.uk</a>	7588	Delivery of the off-site strategic highway infrastructure comprising a range of interventions on the network to facilitate the development of the employment site.	Design	TBD	£0	<p><b>Q1 &amp; Q2 update:</b></p> <p>Progressing the detailed design for the off-site highway infrastructure            Commission for traffic signal and street light design complete</p> <p><b>Future periods:</b></p> <p>Continue progressing detailed design            Completion of off-site highways Geotechnical analysis and report            Issue package of indicative design proposals and specifications to National Highways for consideration as part of phased sign off, including traffic signal design, street lighting design, site clearance and drainage.</p> <p>Scheme is red awaiting resolution of the City Deal review.</p>	
<b>Bamber Bridge - Local Centre</b>  Lancashire county Council Marcus Hudson <a href="mailto:Marcus.Hudson@lancashire.gov.uk">Marcus.Hudson@lancashire.gov.uk</a>	2016 & 4587	Highways and public realm improvements on the A6/B258	Awaiting final resurfacing	£3.303m	£2.749m	<p>Major works complete, awaiting final resurfacing.</p> <p>Scheme is red awaiting resolution of the City Deal review.</p>	
<b>Future Pipeline Projects/Funding currently being held in abeyance</b>							
<b>Moss Side Test Track Road Infrastructure</b>  South Ribble Borough Council Catherine Lewis <a href="mailto:clewis@southribble.gov.uk">clewis@southribble.gov.uk</a>	N/A	On site infrastructure connecting the Moss Side Test Track development	Planning	N/A	N/A	<p>Works are currently progressing on the internal road layout, piling and drainage across the site. The developer continues to work with statutory consultees to discharge the outstanding conditions.</p> <p><b>Looking Froward:</b></p> <p>Reserved Matters submission for the next residential phase anticipated in Q4 2021.</p>	N/A



Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Quarter 1 & Quarter 2 update (refer to project plan milestones)	Project Status (RAG)
<b>The Lanes Link Road</b>  South Ribble Borough Council Janice Crook <a href="mailto:JCrook@southribble.gov.uk">JCrook@southribble.gov.uk</a>	N/A	On site infrastructure connecting The Lanes development	Pre-Planning	N/A	N/A	Homes England and Taylor Wimpey have submitted 2 planning applications, SRBC are currently validating the application.	N/A
<b>North West Preston Linear Park</b>  Preston City Council Chris Hayward <a href="mailto:C.Hayward@preston.gov.uk">C.Hayward@preston.gov.uk</a>	655	Delivery of green space at the North West Preston Strategic Area	Pre-planning	£5.2m	£0	Preston City Council have engaged a consultant to submit a planning application for the Linear Park.	N/A
<b>Education - Preston</b>  Lancashire County Council Lynn MacDonald <a href="mailto:Lynn.MacDonald@lancashire.gov.uk">Lynn.MacDonald@lancashire.gov.uk</a>	633	Additional school places provision to accommodate growth in Preston	Pre-Planning	£25.970m (City Deal allocation only)	£0	<b>Update:</b> As part of Basic Need Scoping the School Planning Team continue to monitor demand for secondary school places. Potential option being investigated, which could address additional demand by exceeding its Published Admission Number.  Engagement with City Deal regarding funding arrangements and land acquisition.  <b>Future periods:</b> Review of latest pupil census data to understand where Preston pupils are accessing secondary school places. Ongoing dialogue with Preston secondary schools regarding the potential to unlock existing accommodation capacity and expansion opportunities to address both short term and long-term demand. School Planning Team to attend the D6 Preston Heads meeting in October. Ongoing engagement with Preston secondary schools regarding addressing future demand	N/A
<b>Education - South Ribble</b>  Lancashire County Council Lynn MacDonald <a href="mailto:Lynn.MacDonald@lancashire.gov.uk">Lynn.MacDonald@lancashire.gov.uk</a>	682	Additional school places provision to accommodate growth in South Ribble.	Pre-Planning	£13.720m (City Deal allocation only)	£0	Ongoing annual review of the pupil demand in South Ribble.  Engagement with South Ribble regarding the Masterplan and planning application for The Lanes, including establishing details of how the new school would be funded.	
<b>South Ribble priority corridors and local centres:</b>	n/a	Transport corridor and local centre improvements	Pre-planning	£12.113m (City deal allocation only)	£3.121m	Awaiting resolution of the City Deal review.	
<b>Preston priority corridors and local centres:</b>	n/a	Transport corridor and local centre improvements	Pre-planning	£12.113 (City Deal allocation only)	£3.251m	Awaiting resolution of the City Deal review.	

Page 30

Update on completed project – post construction phase						
Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Comments
<b>Broughton Bypass</b>  Lancashire County Council David Leung <a href="mailto:David.leung@lancashire.gov.uk">David.leung@lancashire.gov.uk</a>	1923	Completion of the Broughton bypass	Construction complete (project remains financially open)	£31.723m	£26.047m	Ongoing spend relates to part 1 claims.





**Update on completed project – post construction phase**

Scheme & Project Manager	Project ID	Project summary	Stage	Total Project Value	Spend to date (*)	Comments
<b>Broughton Fulwood – North of M55</b>  Lancashire County Council David Davies <a href="mailto:David.davies@lancashire.gov.uk">David.davies@lancashire.gov.uk</a>	6413	Public realm and highway improvements at Broughton/A6 as part of the Broughton bypass planning condition.	Construction complete (project remains financially open)	£1.940	£1.666m	Undertaking pre-closure tasks for the project.
<b>Penwortham Bypass</b>  Lancashire county Council Alan Eastham <a href="mailto:Alan.Eastham@Lancashire.gov.uk">Alan.Eastham@Lancashire.gov.uk</a>	590	Highways infrastructure improvements to complete the Penwortham bypass.	Construction complete (project remains financially open)	£19.450m	£16.043m	Ongoing spend relates to part 1 claims, monitoring & evaluation and ongoing landscape management.

**RAG Categories**

**Green** – no issues - project is on target, within budget allocations - timescales and to an appropriate quality standard. Some risks have been identified (recorded on the risk register) but these are low and can be managed.

**Amber** – There are some issues that may affect programme, delivery, cost and/or quality but they are currently being managed and mitigation measures are in place - Project will be delivered in budget - Programme manager is satisfied that key stakeholders are aware of delay. PM has accepted that political/logistical impact will need to be managed. Mitigation measures being implemented.

**Red** – Issues have arisen but at this point appropriate mitigation measures have not been agreed or implemented. Project delivery timescales have slipped and financial forecasts indicates overspend. Programme manager/stakeholders are not yet aware of delay or have not accepted that the political/logistical impact on project delivery will need to be managed. Mitigation measures have not yet been implemented. When agreed they should be outlined in issues log with the appropriate issue owner.

Spend to date: (\*) taken from LCC Programme & Project Management System may include committed and forecasted spend





## CITY DEAL

Preston, South Ribble & Lancashire

### CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD

**Private and Confidential: No**

**Date:** Wednesday, 20 October 2021

#### **Parking Levy**

**Report Author: Stephen Young, Executive Director of Growth, Environment, Transport and Community Services, Tel: 01772 535374, [Stephen.young@lancashire.gov.uk](mailto:Stephen.young@lancashire.gov.uk)**

#### **Executive Summary**

This report has been prepared in response to a request made at the last meeting of the Executive, to consider the option of introducing a Parking Levy into the Preston and South Ribble City Deal region. The report sets out the known benefits and potential risks of such a scheme, drawing heavily on the example of the scheme which has been introduced in Nottingham.

The report advises that whilst the introduction of a Parking Levy in Nottingham has resulted in a range of financial and environmental benefits for the City, it should not be assumed that these benefits would be forthcoming in the City Deal area. The different economic and geographical make up of the area needs to be considered in more detail. Therefore, if the Board is minded to pursue a Parking Levy for Preston and South Ribble, a more in depth study would need to be commissioned.

#### **Recommendation**

The City Deal Executive is asked to:-

1. Note the contents of the report.
2. Consider next steps and referral back to the Local Transport Authority.

### **1. Background and Advice**

#### **1.1 What is the Parking Levy (PL)?**

- 1.2 Simply put the PL is an annual charge put onto employers who provide more than a given number (typically 10) of free staff-only parking spaces. The charge is levied by an annual fee on a 'per space' basis via the Local Transport Authority (LTA) and in the case of Nottingham is £428 per space per year.



# CITY DEAL

Preston, South Ribble & Lancashire

- 1.3 The process for introducing a PL is set out in the Transport Act 2000, falls under the Local Transport Plan prepared by the LTA, and is subject to the approval of the SoS for Transport.
- 1.4 This charge in the case of Nottingham covers the following groups:-
  - Employees;
  - Regular business visitors (regular business visitors are consultants, contractors, suppliers, agency staff or other business visitors attending their regular place of work) and
  - Pupils or students attending a course of education or training.
- 1.5 The scheme does have provision for some exceptions (i.e – delivery vehicles, Blue Badge holders, fleet vehicles that are not used to travel to and from work).
- 1.6 The money raised from the PL is then used to fund transport schemes across the location.
- 1.7 The experience of areas that have introduced the PL the timescales for introduction of a scheme is around 3 years with the potential of another year for a public enquiry and is subject to final approval by the Secretary of State.
2. The Nottingham Case Study
  - 2.1 To date only Nottingham across the UK has introduced a PL scheme which was launched in 2012. It serves two purposes: as a transport demand-management measure (on car-bourne journeys); and to increase use of non-car travel modes. It does this through pricing and investment elements.
  - 2.2 The scheme cost £4 million to set up and launch but in the first 7 years has raised £64 million for investment in public transport. To date the money raised has been used in conjunction with government transport 'pump-priming' investment of over £630 million to help to pay for a package of complementary measures across sustainable and active travel modes: new tram lines, cycle lanes, a fleet of electric buses, and the redevelopment of Nottingham Railway Station.
  - 2.3 In advance of bringing the PL into Nottingham, the city already had the following key factors in place which made the introduction of the scheme a sensible next step for the city:-
    1. Strong public transport options and a long history of public transport usage with a tram arriving in the city centre every 7 minutes and an extensive bus network meaning people already had a viable alternative to the car.
    2. Ample cycle parking and showering facilities as well as well-defined cycle routes.



# CITY DEAL

Preston, South Ribble & Lancashire

3. Low levels of car ownership in the city.
4. A restricted road network.
5. The council is a major shareholder in the public transport system so benefits financially from the growth in public transport usage.
6. Park and ride facilities already in place that enable people to easily shift from the car to public transport at the edge of the city.
7. Extensive parking restrictions and tariffs surrounding the city meaning alternative on-street parking arrangements are difficult to find.
8. An extensive and varied employment base meaning the levy covers an extensive range of employers and businesses. (To date the PL covers some 2,596 different business covering some 25,000 spaces across the city).

### 3. Benefits of the scheme to Nottingham.

3.1 The benefits of the scheme to Nottingham have been widely reported as follows:-

- Financial income to support public transport investment across the city £64 million to date.
- Carbon reduction – A 33% fall in carbon emissions since 2005, of which 13% is estimated to be as a result of modal shift to public transport and active travel.
- Social - 40% of journeys to work are now by public transport. Employers also cite good public transport as a key factor in locating their business in the city.

3.2 Other areas that have considered or are currently evaluating a PL have cited other specific benefits to the scheme that can come to influence the scope and intent for PL in their area, for example: adapting to meet broader local and national agendas (decarbonisation, air quality); tackling area-specific issues; or funding specific infrastructure solutions.

3.3 PL is being actively considered in some areas as part of a comprehensive approach to these issues alongside the introduction of congestion charge and Clean Air Zone.

### 4. The case for a City Deal PL Scheme

4.1 When considering such a scheme for the City Deal region a number of clear transferable benefits from the Nottingham scheme are evident:-

- The PL scheme is a clear mechanism to deal with the current climate crisis which will need an encouragement of change of behaviour including less car use.
- The PL would drive revenue capture for investment in Transport locally both in the short and longer term and represents one of the few transport specific revenue raising mechanisms available to the sector.



# CITY DEAL

Preston, South Ribble & Lancashire

4.2 However because of the geography and economic make up of our employment base, some key challenges to any City Deal PL would also need consideration:-

- The introduction of a PL across much of the wider City Deal region would be a challenge as alternative free on-street provision already exists.
- The PL pool for Nottingham covers a wide range of business and people, looking at the City Deal region suggests a much lower threshold of potentially chargeable businesses. Looking at this pool to just Preston City Centre would mean a pool of businesses (with 10 or more employees) that is 84% smaller than Nottingham and the biggest charges falling onto the public sector as opposed to the private sector (LCC, Preston City Council, UCLan and the Civil Service). Extending the area to a larger geography increases the catchment of workplaces and workplace-provided parking provision but equally alternative locations to park in typically lighter parking-regulated areas of the two districts.
- Nottingham has strong control over off-street parking and because of the tourist nature of the city private parking costs remain quite high. All across the wider City Deal area a range of free on-street or cheap private parking provision already exists meaning people have another car-based alternative as opposed to public transport. Whilst the reduction and consolidation of the large amounts of surface car parking within Preston is a shared aim, in the short to medium term it is likely to remain as a cheap alternative to workplace-provided parking.
- The public transport provision across large areas of the City Deal region is poor and does not offer ready and affordable means to support the shift from the car to other forms of transport.
- The impact of the PL and the outcome of more businesses supporting homeworking would need to be understood in more detail particularly as a lever for people no longer visiting our large shopping districts – At the moment work placed parking across the City Deal region represent a very large group of people who are regularly economically active in our retail spaces. If the PL was introduced and given people can be flexible about remote working now, the risk of a sustained drop in footfall would have to be understood before any decision is taken.

4.3 It is not really possible to provide an absolute opinion on a PL scheme for the City Deal region without undertaking a more detailed professional transport study covering the following key areas:-

- The geographical scope for the scheme.
- The effect of changes in the demographics of the area's working age population and external factors (changes affecting car ownership and propensity for car use).
- The set up and running costs.
- The size of the potential chargeable pool of business and annual financial return.



# CITY DEAL

Preston, South Ribble & Lancashire

- An estimation of the pre-emptive measures' employers may make to reduce their PL liabilities.
- An understanding of the public transport provision serving the areas covered by a PL and a gap analysis.
- Cost/ benefit analysis.
- Environmental benefits of the scheme.
- Details of investment schemes to be funded from the PL.
- Roadmap and timescales for the for the implementation of the PL.

4.4 The cost of such advice we estimate to be between £20,000 - £30,000 and would require a cost centre to fund this study. If the Executive is minded to progress this work it needs to be referred back to the LTA who would need to firstly agree with the proposal and identify funding to progress the project.

## List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A





# Agenda Item 12

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted



# Agenda Item 13

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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# Appendix A

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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