



CITY DEAL

Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal - Stewardship Board

Minutes of the Meeting held on Wednesday, 20th October, 2021 at 1.00 pm held as a Virtual Teams Meeting

Present

Nicola Elsworth

Angie Ridgwell
Gary Hall

Adrian Phillips
Mark Rawstron

In Attendance

Councillor Matthew Brown, Leader, Preston City Council
Councillor Paul Foster, Leader, South Ribble Borough Council
County Councillor Philippa Williamson, Leader, Lancashire County Council
County Councillor Aidy Riggott, Cabinet Member for Economic Development and Growth, Lancashire County Council (nominated City Deal observer)
Councillor David Borrow, Preston City Council, (nominated City Deal observer)
Joanne Ainsworth, Principal Accountant, Lancashire County Council
Jonathan Behan, Homes England
Chris Hayward, Director of Development and Housing, Preston City Council
Phil Green, Director of Growth, Environment and Planning, Lancashire County Council
Sarah Parry, City Deal Programme Manager, Lancashire County Council
Homairah Sheth, Project Officer, 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.

Apologies were received from Karl Tupling, Director of Emerging and Developing Markets, Homes England.

Nicola Elsworth, Head of Planning and Enabling, Homes England replaced Karl Tupling, Director of Emerging and Developing Markets, Homes England as Chair of the Stewardship Board for this meeting only.

2. Minutes of the City Deal Executive meeting held on 13 July 2021

Resolved: That the minutes of the City Deal Executive Board meeting held on 13 July 2021 were approved as an accurate record and signed by the Chair.

3. Minutes of the City Deal Stewardship Board meeting held on 13 July 2021

Resolved: That the minutes of the City Deal Stewardship Board meeting held on 13 July 2021 were approved as an accurate record and signed by the Chair.

4. Matters Arising

In relation to the actions from the previous meeting, it was noted that in relation to the resolution under Item 6 in the minutes, the Board was informed that the action on reporting affordable housing provision was being considered by the City Deal project team meeting and that representatives from the districts had already begun to have internal discussions with the relevant planning officers. However, a discussion was still needed to discuss how it should be captured as part of the monitoring reports to the Board.

Additionally, in relation to the action under Item 10 in the minutes from the previous meeting, regarding a meeting to be arranged between the Chief Executives and Homes England to better understand the dynamics of the National Board report, it was noted that there were still matters to be resolved between City Deal partners with regards to a revised deal and no report would be taken to the National Board until those matters were further progressed.

5. Declarations of Interest

No declarations of interest were made.

6. Homes England Quarterly Monitoring Progress Update Report - Q1 and Q2 of 2021/22

Jonathan Behan, Homes England presented a report which updated the City Deal Stewardship Board members about progress with Homes England sites during Quarter 1 and Quarter 2 of the 2021/22 financial year.

Updates were provided on the progress made across the Homes England portfolio and it was noted that a good level of completions had been carried out during Q1 and Q2 of 2021/22. In terms of specific updates:

- 50 completions were made across various phases at Cottam Hall, the most completions were made by Countryside during Phase 6;
- 8 completions were made at the Land at Eastway by Story Homes and a decision was still pending in relation to the planning application on the commercial plot;
- 14 completions were made at Altcar Lane; and
- There have been no completions yet at Croston Road North, but work had commenced at the site.

In terms of the financial outputs of the sites during Q1 and Q2, it was noted that grant payments of £4.5m had been made to the City Deal by Homes England, and this was on the back of the sales or disposals from the Land at Eastway and Cottam Hall sites, and in terms of the loan payments, £8m had been made to

Lancashire County Council.

Following questions raised by the Board in relation to the terms of sales and the market, it was noted that it had been a very positive period in terms of sales and there was still a strong market demand.

Resolved: That, the City Deal Stewardship Board noted the contents of the report and the progress made by Homes England during Quarter 1 and Quarter 2 of the 2021/22 financial year.

7. City Deal Q1 and Q2 Infrastructure Report

Sarah Parry, City Deal Programme Manager, presented a report which provided a progress update on the City Deal infrastructure projects during Quarter 1 and Quarter 2 of 2020/21.

It was noted that out of all the schemes currently ongoing, there were all in the green apart from the Preston Western Distributor. The Board was informed that the reasons for this were due to the monitoring period covering the period when the steel supplier, Cleveland Bridge, entered administration and therefore the report reflected the risks that were attached to the scheme at that time.

However, it was further noted that there was a positive outcome in relation to the acquisition of the steel beams and it was anticipated that the Scheme would be given a Green rating during the next monitoring period. More detail regarding was provided on the Preston Western Update at Item 12 on the agenda.

Resolved: That, the City Deal Executive and Stewardship Board noted the contents of the report and its appendices.

8. Parking Levy

Phil Green, Director of Growth, Environment and Planning, presented a report on a Parking Levy. The report had been produced in response to a request made at the last meeting of the City Deal Executive, to consider the option of introducing a Parking Levy into the Preston and South Ribble City Deal region.

The report set out the known benefits and potential risks of such a scheme, drawing heavily on the example of the scheme which had been introduced in Nottingham.

Following the presentation of the report, a general consensus from all Board members was that it wasn't the appropriate time to investigate the viability of the scheme and that the report be deferred to a future meeting.

Resolved: That, the City Deal Executive:

- i. Noted the contents of the report; and
- ii. The report be deferred to a future meeting of the Board.

9. Any Other Business

There was no other business to be considered.

10. Date of Next Meeting

It was noted that the next Combined City Deal Executive and Stewardship Board meeting was scheduled for Tuesday 7 December 2021 at 2.30pm at County Hall, Preston.

However, due to the rising COVID cases in Lancashire, it was proposed and agreed that the next meeting of the Combined City Deal Executive and Stewardship Board be held virtually in Microsoft Teams.

11. 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.

12. Preston Western Distributor Update

Sarah Parry, City Deal Programme 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.

It was noted that the issues with the steel supplier had now been resolved and the steel beams had been delivered to the site.

The Board expressed its thanks to all the officers involved in resolving the steel supply issues.

It was requested that future reports to the Board on the Preston Western Distributor scheme include a more detailed breakdown of the construction costs and contingency risks, and if the report could be presented in a simplified way.

It was also requested that the next Preston Western Distributor update, include an update on the social value outcomes being delivered as a result of the scheme.

Resolved: That, the City Deal Executive:

- i. Noted the current programme and financial position of the Preston Western Distributor Scheme;
- ii. Agreed that future reports to the Board on the Preston Western Distributor Scheme include a more detailed breakdown of the construction costs and

- contingency risks, and be presented in a simplified way; and
- iii. Agreed that the next Preston Western Distributor Scheme report also provide an update on the social value outcomes being delivered as a result of the scheme.

13. City Deal Finance Monitoring Report Qtr 2 2021/22

Joanne Ainsworth, Principal Accountant, Lancashire County Council presented a private and confidential report which provided an update on the City Deal Infrastructure Delivery Fund as of 30 September 2021.

It was noted that until there was a Government announcement on a replacement for the New Homes Bonus scheme, then it would not be possible to forecast future New Homes Bonus income beyond 2021/22.

In terms of the ongoing issues around the New Homes Bonus, it was noted that discussions were still ongoing with the Government to resolve it. A number of briefing papers, presentations and reports had been provided to the Government on this, and the information had also been provided in the new Ministers briefing note. It was also agreed that the Board would continue to lobby the Government on this issue.

The Board expressed its thanks to all the officers involved in producing the reports for the meeting.

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

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