

Performance Committee Updates – 24th May 2016

City Deal Stewardship Board and Executive Update

Achievements in the last two months

The City Deal Executive and Stewardship Board (E&SB) considered the 2015/16 quarter 4 monitoring report at its meeting in May, and this is available at – include link. Specific achievements to note:

- Penwortham Bypass – Cabinet Member approval secured for the amended route.
- Golden Way South – Scheme Completed.

Current challenges / Issues requiring a planned approach to their management.

The successful delivery of the City Deal is dependent upon a balanced Infrastructure Delivery Fund (IDF). Three funding streams of the IDF - New Homes Bonus (NHB), Community Infrastructure Levy and Non Domestic Retained Rates are currently subject to potential policy changes by government. Combined, these account for 42% of the IDF.

The CD E&SB commenced a Resources Review early in 2016 supported by independent consultants. At a special meeting in May the E&SB considered an outline case which set out the likely financial impact primarily of NHB (the only funding stream for which it is currently possible to analyse a financial impact) and potential mitigation measures. NHB accounts for 18% of gross forecast revenue of the IDF and, dependent upon the scale of reduction of annual payments implemented by government the impact on the IDF will be between £9.3 and £32M.

The E&SB submitted a single response to government's consultation on NHB, setting out the concerns about the impact on the IDF. The E&SB have agreed that the 2 chairs of the E&SB meet formally with senior civil servants to discuss these matters, ideally following government's response to the consultation regarding the scale of NHB reduction. In the meantime City Deal officers will continue to discuss the issue informally with civil servants. The political representatives on the E&SB are also raising this matter with MPs.

Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions The annual monitoring return to government will be considered by the E&SB at its meeting on June 22nd. The 6 monthly return to government can be viewed at... and the 2015/16 Q4 return can be viewed at....

Government have recently confirmed that City Deal reporting to government will now not be via Logasnet, and will continue to be via direct reporting to CLG.

Newly identified potential risks to incorporate into the Risk Register The risk of IDF not being balanced due to funding stream changes is already on the LEP's risk register.

Other general observations.

The CD E&SB have agreed, as part of its annual progress review, to work with the Performance Committee to provide assurance with regard to the delivery of major City Deal highways infrastructure, focussed on three areas: achievement of key delivery milestones set out in the City Deal Infrastructure Delivery Plans; achievement of best value; the achievement of social value. This work will be concluded in Mid June and will be reported to the Performance Committee at its next meeting.