



CITY DEAL

Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal Executive

Minutes of the Meeting held on Wednesday, 29th November, 2017 at 1.00 pm at the Committee Room 'C' (The Duke of Lancaster Room) - County Hall, Preston

Present

Jim Carter (Chairman)

County Councillor Geoff Driver CBE	Councillor Peter Rankin
County Councillor Michael Green	Mark Rawstron
Councillor Peter Mullineaux	Stuart Sage

In Attendance

Lorraine Norris, Chief Executive, Preston City Council
Heather McManus, Chief Executive, South Ribble Borough Council
County Councillor Michael Green, Lancashire County Council
Councillor Peter Moss, Preston City Council
Jo Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council
Sarah Parry, City Deal Programme Manager, Lancashire County Council
Sue Procter, Director of Programmes and Project Management, Lancashire County Council
Ginette Unsworth, Head of Communications, Lancashire County Council
Mark Vaughan, Homes and Community Agency

2. Welcome and Apologies for Absence

The Chairman, Jim Carter, welcomed all to the meeting. Round table introductions were made.

Apologies for absence were presented and noted from Jo Turton, Eddie Sutton and Karl Tupling. Stuart Sage had been formally nominated as the HCA representative for the City Deal Stewardship Board.

It was noted that due to the absence of the Lancashire County Council Chief Executive (or their nominee) that the City Deal Stewardship Board was inquorate. However as the Stewardship Board only had items for noting it was agreed that it could continue to meet in an informal capacity with the minutes of the meeting formally ratified by the Stewardship Board members at the next meeting.

8. City Deal Governance Report - New LEP Nominee

Andy Milroy, Senior Democratic Services Officer, Lancashire County Council presented a report (circulated) regarding City Deal Governance matters and confirmation of a new LEP nominee for the City Deal Executive.

It was highlighted that, in accordance with the Terms of Reference for the City Deal Executive, that the LEP had nominated new LEP Director Mark Rawstron as the LEP Deputy Chair's Nominee to serve on the City Deal Executive.

The report also presented a revised Membership List and Status for the Joint City Deal Meetings which it noted that the City Deal Executive and Stewardship Board meet as one combined meeting.

An additional recommendation was presented, that in light of the regular attendance of Councillor Observers at the Combined City Deal Meetings, that City Deal Members formally agree that each of the three member Councils can nominate one additional Observer Councillor who will be allowed to receive Part I and Part II agenda papers in advance of meetings and will also be permitted to attend Part I and Part II sections of the meeting.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Noted the appointment by the LEP of Mark Rawstron as the LEP Deputy Chair's Nominee on the City Deal Executive.
- (ii) Noted the revised Membership List and Status for Joint City Deal Meetings as set out in the report, and
- (iii) Agreed that each member Council can nominate one Councillor as an Observer who will be entitled to receive Part I and Part II agenda papers and attend Part I and Part II sections of Combined City Deal meetings.

1. City Transport Plan Workshop

At this point an informal workshop was held regarding the City Transport Plan.

Kevin Riley from Mott MacDonald attended for this workshop and gave a presentation to the City Deal members on the Preston City Centre Transport Plan.

It was noted that the Preston City Centre Transport Plan (PCCTP) is a 20 year vision for movement and connectivity. It is intended to provide a long-term overarching vision and deliverable strategy for improvements to all modes of transport to, from and within Preston City Centre.

City Deal Members provided feedback on the Plan and the Option Appraisal section of the report. In addition, it was noted that the next steps were to finalise assessments and prioritisation and return with a final plan for implementation.

Resolved: That the contents of the Preston City Centre Transport Plan be noted and that the Plan be developed further in light of the feedback provided by City Deal Members.

3. Minutes of the City Deal Executive meeting held on 18th September 2017

Resolved: That the minutes of the City Deal Executive meeting held on 18th September 2017 be approved as an accurate record for signing by the Chairman.

4. Minutes of the City Deal Stewardship Board meeting held on 18th September 2017

Resolved: That the minutes of the inquorate City Deal Stewardship Board be approved as an accurate record and formally signed by the Stewardship Board Chairman at the next quorate meeting.

5. Matters Arising

None

6. Declaration of Interests

None

7. HCA Quarterly Monitoring Progress Update - Q2 2017/18

Stuart Sage and Mark Vaughan (both Homes and Communities Agency) presented a report (circulated) which provided a Quarterly Monitoring Update for Quarter 2 – 2017 / 18 with regard to HCA sites.

It was highlighted that during this quarter overall positive progress had been made across the portfolio. 31 houses were completed during the quarter which was significantly higher than the quarterly average. Other particular successes included:

- Walton Park Link Road – The Deal between Morris Homes and National Grid had gone unconditional. Morris Homes started on site in September.
- Altcar Lane – There had been a good response from the marketing exercise with 11 Expressions of Interest being received. Six responses to the sifting briefs and four shortlisted parties.
- Preston Sector D – Inchscape had secured planning permission and started on site.

Housing activity should increase over the course of the coming 12 months with a

start on site expected at Altcar Lane. Marketing was also underway at Croston Road North Phase 1 and Cottam Hall Phase 4.

The HCA were reported to be on track to pay the total £37.5m grant by 2022/23.

In addition, it was noted that progress was being made on the Pickerings Farm site and a collaboration agreement should be exchanged in early 2018. This would then enable the masterplanning work to progress.

It was noted that the recent Budget announcements included an increase in the Housing Infrastructure Fund being made available. The criteria for allocating the additional funding had not yet been confirmed.

Resolved: The City Deal Executive and Stewardship Board noted the contents of the report and the progress made to date.

9. Communications and Marketing

Ginette Unsworth, Head of Communications, Lancashire County Council gave a presentation on Communications and Marketing activities and set out the updated communications and marketing plan.

A video was shown to City Deal Members from the recent MIPIM UK event at which Lancashire had a stand. The event was very successful at promoting Lancashire to a wider audience and the team in attendance received good feedback from delegates.

An update was also provided on the opening of the A6 Broughton Bypass / James Towers Way and other key city deal infrastructure projects such as Preston Western Distributor, the A582 and Penwortham Bypass.

It was noted that the "Invest Central Lancashire" marketing campaign was working well and enhancing awareness of Lancashire at regional, national and international levels.

In terms of the next marketing tactics, it was noted that on a regional level Lancashire will be represented at the forthcoming Place North West events (24th January and 1st March 2018) and at a national / international level at MIPIM Cannes on 18th March 2018.

Resolved: The City Deal Executive and Stewardship Board noted the Communications and Marketing Strategy.

10. Business and Delivery plan – Six Monthly Monitoring Report – 2017/18 and Implementation Update

Sarah Parry, City Deal Programme Manager, Lancashire County Council presented a report (circulated) which provided City Deal Members with a six month monitoring report for 2017/18 along with an implementation update.

Key outputs achieved during the period included:

- 434 housing units were completed against a target of 503.
- 1,115 housing units were submitted for planning against a target of 390.
- 1,147 housing units were consented for planning against a target of 400.
- 2,601m² of commercial floor space was completed against a target of 418m².
- 188,642m² of commercial floor space was consented against a target of 188,642m².
- 9,116m² of commercial floor space submissions were received against a target of 1,400m².
- A combined total of £6.99m of Public and Private Sector Investment was made.
- 60 jobs were created associated with commercial floor space, 80 jobs were created associated to infrastructure projects, and, 95 jobs were created through business support activities.
- 760 young people, 423 parents and 105 Education Institutions took part in interventions / activities promoting City Deal and construction career opportunities during 2016 / 17.

Dr Lis Smith, Principal and Chief Executive of Preston's College attended the meeting at this point and provided an update from the Skills and Employment Group.

The update included work on Apprenticeships which have increased in 2016/17 against a backdrop of major apprenticeship reforms. The number of graduates accessing graduate jobs has increased both overall and into construction and engineering jobs.

It was noted that graduate placements and internships had decreased slightly and UCLan was utilising its Masterplan partnerships, for example with Conlon Construction, to address this. The number of new Higher Education students choosing Science, Technology, Engineering and Maths (STEM) subjects and construction undergraduate degree subjects at UCLan had increased year on year.

Jobseeker's Allowance (JSA) and Universal Credit (UC) claimants had increased against a back drop of static unemployment.

The number of interventions / activities promoting City Deal and construction career opportunities with the City Deal area has increased and this is despite there being no direct involvement of the City Deal in having a stand at the 2017 Lancashire Science Festival as there was in 2016. Instead partners have

delivered a wide range of activities directly with schools.

The City Deal Members noted the Skills and Employment metrics as set out in Table 5 (in the report).

In addition the Infrastructure Delivery scheme summary was presented (Appendix 4 to the report) and City Deal Members noted the current stage of each project and the RAG ratings with the majority of schemes on track.

The Board felt that further information in relation to some of the more challenging housing sites would be helpful in identifying the level of risk going forward. The Board members were keen to support the progression of the sites wherever possible.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Noted the overall performance of the Programme up to September 2017.
- (ii) Noted the presented from Dr Lis Smith regarding the Skills and Employment Group.
- (iii) Endorsed the proposed Monitoring Return to Government as set out in the report for the 6 month period April 2017 – September 2017; and
- (iv) Agreed to receive a report outlining any issues and mitigating action being taken on the housing delivery sites.

Dr Lis Smith left the meeting at this point.

11. City Deal Quarter 2 Finance Report

Jo Ainsworth, Finance Advisor, Lancashire County Council presented a report (circulated) regarding Year 4 – Quarter 2 Finance Monitoring.

It was highlighted that as at 30th September 2017 the model currently showed a projected surplus over the City Deal period of £3.478m, compared to a position at 30th June 2017 of £0.126m surplus.

The changes to income related to changes in the forecasts in housing numbers and known income from a site being more than was anticipated (3.422m additional income to the model) and increased costs for the modelling work being undertaken (£0.080 additional costs to the model).

It was highlighted that there was a funding gap on one scheme which was being considered later on the agenda and it was noted that this was not reflected in the model at this stage.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Noted the Quarter 2 Finance Update; and
- (ii) Noted the key risks and issues going forward.

12. Any Other Business

None

13. Date of Next Meeting

It was noted that the next Combined City Deal Executive and Stewardship Board will be held on Monday 19th February 2018, 2pm in Committee Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

Part II (Private and Confidential)

At this point the City Deal Executive and the Stewardship Board agreed that the meeting move into Part II (Private and Confidential) in order to consider four remaining items of business which contained exempt information provided in confidence as defined in the Freedom of Information Act 2000. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

14. Cardinal Newman College - Expansion

Lorraine Norris, Chief Executive, Preston City Council, introduced a report (circulated) regarding a proposed expansion at Cardinal Newman College, Preston.

In addition, Ben Pretty from Cushman Wakefield attended to discuss the independent appraisal presented with the report.

Resolved:

- (i) The City Deal Executive and Stewardship Board :noted the presentation and information provided in the independent appraisal.
- (ii) The City Deal Executive resolved that, on the basis that there is no known capital funding available to deliver the project, the request for a contribution to progress the project to RIBA stage 3, be refused.

15. City Deal Review - Terms of Reference

Jim Carter introduced a report (circulated) regarding proposed Terms of Reference for a City Deal Review.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Considered and approved the proposed Terms of Reference as set out at Appendix 'A' to the report.
- (ii) Agreed to delegate responsibility for finalising the Term of Reference to the City Deal Programme Board, in consultation with the Chairs of the Executive and Stewardship Board.
- (iii) Approved that independent advisors be procured to support the Review.
- (iv) Agreed that the City Deal Programme Board and the Chairs of the Executive and Stewardship Board oversee the Review.
- (v) Agreed that the Chair of the LEP's Growth Deal Management Board be invited to support the Review team, given key LEP funding dependencies, linkages to wider growth agendas and value added in personal expertise; and
- (vi) Noted the proposed timescale for the Review and requested that the Review findings and recommendations be brought to a future meeting of the Executive and Stewardship Board.

16. Preston Western Distributor Progress to Outline Business Case

Sue Procter, Director of Programmes and Project Management, Lancashire County Council, presented a report (circulated) regarding the Preston Western Distributor scheme.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Agreed to support the delivery of the Preston Western Distributor, Cottam Link and East West Link Road to be funded by the City Deal, subject to full approval of the Lancashire Enterprise Partnership for Growth Deal Funding;
- (ii) Agreed to the inclusion of the following supporting statement in the Outline Business Case for the Preston Western Distributor, that

"Two significant public funding decisions have been made in support of the scheme, through the single Local Growth Fund which is accessed through the Growth Deals agreed with each Local Enterprise Partnership, and separately through Highways England's Roads Investment Strategy. In total, this funding amounts to £83 million. The

City Deal Executive & Stewardship Board have resolved that the local contribution of £106.45 million for this project will be met through the resources available and which become available to the City Deal along with any subsequent cost increase above the level of grant already agreed.

(iii) Agreed that the detailed funding model for the delivery of the scheme be considered and determined through the City Deal Review process in advance of the Final Business Case required by June 2019; and

(iv) Agreed that updated information regarding the North West Preston Road Programme be made available to stakeholders and the public through a co-ordinated communication strategy

17. City Deal - Joint Working

Heather McManus , Chief Executive, South Ribble Borough Council gave a verbal update on a proposed joint working area for City Deal colleagues.

Resolved: The City Deal Executive and Stewardship Board agreed to trial the proposed shared working area at South Ribble Borough Council's offices, subject to review in 12 months time.