



Preston, South Ribble and Lancashire City Deal - Combined

Thursday, 25th July, 2019 in Savoy Suite 1 - The Exchange - County Hall, Preston, at 10.00 am

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the City Deal Executive meeting held on 12th March 2019**
(Pages 1 - 10)
- 3. Minutes of the City Deal Stewardship Board meeting held on 12th March 2019** (Pages 11 - 20)
- 4. Matters Arising**
- 5. Declaration of Interests**

Stewardship Board Item (Chaired by Debra Holroyd-Jones)

- 6. Homes England Quarterly Monitoring Progress Update – Q4 2018/19**
(Pages 21 - 28)

Joint Stewardship Board and Executive Items (Chaired by Jim Carter)

- 7. End of Year Performance Monitoring Report - Year 5 2018-19** (Pages 29 - 56)
- 8. Any Other Business**
- 9. Date of Next Meeting**

The next combined Preston, South Ribble and Lancashire City Deal meeting is scheduled to be held on 14th October 2019 at 5:30pm in Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston.

10. 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)

Stewardship Board Item (Chaired by Debra Holroyd-Jones)

- 11. City Deal Business and Disposal Plan 2019-22 and Delivery to Date as at 31st March 2019** (Pages 57 - 84)

Joint Stewardship Board and Executive Items (Chaired by Jim Carter)

- 12. City Deal Review Update**

Oral Update

- 13. Project Delivery Monitoring Report - Quarter 1 2019/20** (Pages 85 - 100)

- 14. City Deal Finance Report Quarter 4 Year End 2018-19** (Pages 101 - 114)

- 15. North West Preston Roads Programme** (Pages 115 - 120)

Executive Item (Chaired by Jim Carter)

- 16. A582 South Ribble Western Distributor** (Pages 121 - 128)



CITY DEAL
Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal Executive

Minutes of the Meeting held on Tuesday, 12th March, 2019 at 2.30 pm at the Committee Room 'D' - The Henry Bolingbroke Room, County Hall, Preston

Present

Jim Carter (Chairman)

Councillor Matthew Brown

Mark Rawstron

County Councillor Geoff Driver CBE

Councillor Margaret Smith

In Attendance

Nicola Elsworth, Head of Public Sector Land, Homes England

Adrian Phillips, Interim Chief Executive, Preston City Council

Tim Povall, Deputy Chief Executive, South Ribble Borough Council

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

County Councillor Michael Green, Lancashire County Council (nominated Observer)

Councillor Phil Smith, South Ribble Borough Council (nominated Observer)

Councillor Clifford Hughes, South Ribble Borough Council, Cabinet Member (Strategic Planning and Housing)

Joanne Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council

Deborah Holroyd-Jones, Senior Development Manager, Homes England

Joanne Hudson, Project Manager, Lancashire County Council

Marcus Hudson, Planning Manager, Lancashire County Council

Richard Kenny, Interim Director of Economic Development and Planning, Lancashire County Council

Andy Milroy, Senior Democratic Services Officer, Lancashire County Council

Sarah Parry, City Deal Programme Manager, Lancashire County Council

Ginette Unsworth, Head of Communications, Lancashire County Council

1. Welcome and Apologies for Absence

The Chairman welcomed all to the meeting. Apologies for absence were presented from Heather McManus, Chief Executive, South Ribble Borough Council with Tim Povall, Deputy Chief Executive, formally nominated as her representative.

Apologies for absence were also received from Councillor Peter Moss, Preston City Council's nominated Observer.

2. Minutes of the City Deal Executive Meeting held on 5th February 2019

Resolved: That the minutes of the City Deal Executive meeting held on 5th February 2019 be approved as an accurate record and duly signed by the Chairman.

3. Minutes of the City Deal Stewardship Board Meeting held on 5th February 2019

Resolved: That the minutes of the City Deal Stewardship Board meeting held on 5th February 2019 be approved as an accurate record and duly signed by the Chairman.

4. Matters Arising

None

5. Declaration of Interests

None

6. Homes England Quarterly Monitoring Progress Update - Q3 2018/19

Nicola Elsworth and Debra Holroyd-Jones both Homes England, presented a report (circulated) which provided the City Deal Executive and Stewardship Board with the Homes England Quarterly Monitoring Progress Update for Quarter 3 – 2018/19.

It was highlighted that the report provided details of each of the 11 Homes England sites and a progress update towards key milestones for each site.

It was noted that all 11 sites were generally progressing well and continuing to deliver. Further progress had been made on marketing and disposal of sites.

In terms of Site 1 - Cottam Hall, Phases 1, 2 and 3 continue to build out well. Phase 4 had progressed to a Reserved Matters Application. Following market testing Phase 6 is to be brought forward ahead of Phase 5, Phase 6 was now out to market.

With regard to Site 2 – Cottam Brickworks, meetings and negotiations had taken place (in January 2019) with all parties and further meetings would be held between all parties including the landowner's representatives to revise Heads of Terms for a new access agreement.

It was highlighted that with regard to Site 3 – Land at Eastway (residential) that Story Homes were building out well with 10 completions during this reporting

period and that a grant payment of £345,692 had been paid to Lancashire County Council in December 2018.

Site 4 – Whittingham – It was reported that the Masterplan has been agreed and that a revised outline application is expected to be submitted by the end of March 2019.

Site 6 – Pickering Farm – A lot of work has been undertaken with Members at South Ribble Borough Council and the community on the masterplan, it is anticipated a submission on this application will be made by May 2019.

Site 7 – Altcar Lane continued to progress and its Reserved Matters application has been approved. Site preparation and build out has now commenced on this site.

Site 8 – Croston Road North, marketing had commenced with a view to having developer bids returned by late April / early May 2019.

Site 9 – Croston Road South continues to build out well.

To date this year (2018/19) up to the end of Quarter 3, a total of circa £5m had been paid in grants.

The Homes England Business Disposal Plan for all 11 sites will be prepared from April onwards which will help realign milestones and finances for the delivery of the sites.

In terms of housing completions this year the target was 139 and to date 115 have been delivered and it was envisaged that the target would be met or exceeded.

Resolved: The City Deal Executive and Stewardship Board noted the contents of the report and update provided on progress made across all 11 Homes England sites.

7. City Deal Transport Plans' Update

Marcus Hudson, Planning Manager, Lancashire County Council gave a presentation on City Transport, Public Transport Corridor, Local Centres, Walking and Cycling Plans.

It was noted that work continued on the City Deal Programme dealing with public transport and active travel modes, public realm and other aspects of the transport network serving the city centre and local centres. This was supported by three commissioned studies that were interlinked:

- Cycling and Walking Delivery Plan
- Public Transport Priority Corridors and Local Centres Master Planning; and
- City Transport Plan.

In addition it was highlighted that all three City Deal local authorities have worked closely at a technical level, alongside transport providers, local interest groups and other stakeholders in production of these plans.

Marcus presented in detail the various plans, the potential options and benefits of each option.

City Deal Members discussed some of the potential options in detail, including improving the environmental health and air quality in the area. It was noted that the plans will not be static and will continue to be worked on by officers in order to progress.

Resolved: The City Deal Executive and Stewardship Board noted the detailed presentation and ongoing development of the City Transport Plans.

8. City Deal Review Update

Sarah Parry, City Deal Programme Manager, provided an update to the City Deal Executive and Stewardship Board on progress regarding the City Deal Review.

Working is being done to create the Heads of Terms to continue to engage the consultants Steer in the next phase of works. Work is being done to bring forward a package of work, including funding models and communications plans, is being developed. The recommendations for Steer are being worked into each stream of the review.

Sarah Parry, City Deal Programme Manager, provided an update to the City Deal Executive and Stewardship Board on progress regarding the City Deal Review.

Working was being done to progress the new Heads of Terms under the guidance of consultants, Steer Economic Development.. The intention was to bring forward a package of improvement proposals to the City Deal Executive and Stewardship Board in July, which would comprise; revised Heads of Terms, governance arrangements, infrastructure delivery plan, a revised finance model and communications plan. The recommendations arising out of the Steer Review Report were being considered as part of these improvement packages.

Angie Ridgwell, Chief Executive and Section 151 Officer, Lancashire County Council, asked for clarification with regard to the specific resolution recorded at the last Combined City Deal Executive and Stewardship Board meeting that the revised Heads of Terms will be developed by the end of March 2019 with adoption by June 2019 at the latest with a full partnership agreement in place by July 2019. The City Deal Programme manager was asked to confirm that officer groups are arranged and in the diary with full participation by all partners.

The City Deal Programme Manager advised that she is still aiming for draft Heads of Terms by the end of March 2019 and for formal adoption to be achieved in time to be reported to the next Combined City Deal meeting scheduled to be held on 4th July 2019. Some officers had raised concerns as to whether this was achievable with South Ribble Borough Council advising that consideration cannot

be given by them until the end of July 2019 due to their elections taking place in May 2019. The City Deal Programme Manager advised that she would at least want to ensure the City Deal Executive was sighted on any agreement at its meeting on 4th July 2019 before it is taken to respective councils for formal agreement. Assurance was given by partners that they would actively engage with the preparatory meetings.

Tim Povall, Deputy Chief Executive, South Ribble Borough Council, advised that if they were in a position to call an earlier emergency Council meeting following their elections in May 2019 they would do so.

County Councillor Geoff Driver, Lancashire County Council and Councillor Margaret Smith, South Ribble Borough Council debated the achievability of the timescales that members had agreed at the previous meeting for the City Deal Review and agreed to discuss this further outside of the formal meeting

Nicola Elsworth of Homes England, made a request for Homes England to be included in the discussions regarding the revised City Deal Heads of Terms. The City Deal Programme Manager confirmed Homes England will be included and meetings are in place involving all parties.

The Chairman, Jim Carter, also requested that it be noted that approval to the City Deal Review by the Lancashire Enterprise Partnership will need to be built into the timeline.

Finally, the Chairman, Jim Carter requested the City Deal Programme Manager to alert him as soon as possible, to any issues preventing the timescales for the City Deal Review from being achieved.

Resolved: The City Deal Executive and Stewardship Board noted the update provided and the resolution of the previous meeting regarding the agreed timescales for the City Deal review.

9. Infrastructure Delivery Update – 2018/19 Quarter 3 (Oct-Dec 2018)

Sarah Parry presented a report (circulated) which contained an Infrastructure Delivery update for Quarter 3 – October 2018 to December 2018.

It was recognised that as the reporting period ended over two months ago that current position updates had also been overlaid into the report to provide the latest position.

Following the decision taken at the previous City Deal Executive and Stewardship Board meeting to support the delivery of the A582 scheme in City Deal, subject to funding validation, this had now been referenced in the Dashboard. It was noted that progress had been made on this scheme with regard to design, planning application preparation and Compulsory Purchase Order (CPO) preparation.

An update was provided on the Preston Western Distributor and East West Link Road which had also been updated to include reference to the local contribution that the City Deal Executive approved at its last meeting. The Business Case would now be submitted in the spring firstly to the Lancashire Enterprise Partnership then to the Department for Transport.

In addition it was noted that at present there is roughly a 50/50 split between projects ragged as amber or green with the exception of one scheme – Guild Wheel Bluebell Way – which was red. The reason it was listed as red was that the design for the scheme required additional funding over and above that identified in the City Deal fund. Officers were looking at alternative sources of funding to bridge the gap.

A query was raised regarding the completion of the Bamber Bridge – Town Centre Improvements scheme with regard to the footpaths. It was advised that a funding envelope of £3.35m had previously been agreed by the City Deal Executive and that the extent of the works to be delivered was approved by the City Deal infrastructure Delivery Group, which includes representatives from each of the partner authorities. Clarification on the detailed cost breakdown was requested and it was agreed that officers would provide the detailed breakdown of costs on this scheme to South Ribble Borough Council.

Resolved: The City Deal Executive and Stewardship Board noted the Infrastructure Delivery Update Quarter 3 – October – December 2018 and the additional updates provided.

10. Any Other Business

None

11. Date of Next Meeting

It was noted that the next combined Preston, South Ribble and Lancashire City Deal meeting is scheduled to be held on 4th July 2019 at 10:15am in Committee Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

12. 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.

In addition, the Chairman proposed that Officer and Member Observers from the respective three Councils be allowed to remain.

Resolved: That Officer and Member Observers be allowed to remain present for the Part II items on the agenda.

13. City Deal Finance Monitoring Report for Quarter 3 - 2018 / 19

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Before consideration of the City Deal Finance Monitoring Report for Quarter 3 – 2018/19 the City Deal Executive Chairman, Jim Carter, requested that both the Executive and Stewardship Board consider an additional discussion under this heading regarding Homes England and potential additional investment.

Nicola Elsworth provided an overview of the potential significant investment from Homes England, which would need to be aligned to the delivery of a specific infrastructure scheme. Given the requirement to defray any potential investment by March 2021; the Preston Western Distributor is recognised as the most advanced infrastructure scheme that can release additional new homes (above the current City Deal target) giving rise to the scheme being best suited to the Homes England programme criteria.

Any potential additional investment is subject to the scheme criteria, production of a business case and approval by Homes England Board and potentially MHCLG. In addition any new investment will have to be considered in the context of current City Deal delivery to date and Homes England expressed some concern about this, given comments made at the last Programme Board regarding the delivery of two major schemes in South Ribble.

Councillor Margaret Smith, Leader of South Ribble Borough Council stated that South Ribble was committed to the City Deal and had been all the way along. It was reported that the Test Track site had been considered by the South Ribble planning committee and a decision was deferred with a request that partners get together and it was anticipated that it would be reconsidered very soon and hopefully be approved. In addition Councillor Smith advised the City Deal Executive and Stewardship Board that South Ribble were committed to Pickerings Farm (or The Lanes as it is now referred) and had been all the way along and were committed to putting more money into the scheme to get the infrastructure in place first.

Councillor Smith concluded by stating that South Ribble were committed to City Deal as a Council and administration and that she could not say it any firmer than that and that the potential offer made by Homes England was fantastic.

The Chairman re-iterated that if any partners do have concerns about commitment to raise those issues with him directly.

In addition, Adrian Phillips, Interim Chief Executive, Preston City Council re-confirmed his Council's commitment to the City Deal and delivery of all the sites within the scheme.

Resolved: That the potential offer from Homes England be welcomed and that it be noted that all partners re-confirmed their commitment to City Deal.

Joanne Ainsworth, Lancashire Enterprise Partnership and Special Projects Manager, Financial Management, Lancashire County Council presented a report (circulated) which contained the City Deal Finance Monitoring report for Quarter 3 2018 / 19. It was acknowledged that as the report was circulated late, Executive and Stewardship Board members were encouraged to take the report away, digest, and could follow up with Joanne outside of the meeting if they had any questions or queries.

Resolved: The City Deal Executive and Stewardship Board

- (i) Noted the Quarter 3 Finance Update; and
- (ii) Noted the key risks and issues going forward and accepted mitigation is needed to ensure the model remains balanced over the lifetime of the deal utilising the three strategies advised by the Steer Review report of expenditure mitigation, income generation and scheme prioritisation.

14. Procurement of Penwortham/City Centre Public Transport Priority Corridor Improvement Works

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Marcus Hudson presented a report (circulated) regarding the Procurement of Penwortham / City Centre Public Transport Priority Corridor Improvement Works.

It was noted that a design was currently being worked on with a tender package proposed to be put through a formal external competitive tender process in May 2019 with works anticipated to commence in September 2019. The report noted that the improvements to the A59 through Penwortham are required by a Condition to the planning permission granted for Penwortham Bypass. The Condition requires a scheme to be implemented to discourage use of the current A59 through Penwortham and promote the use of the bypass, thereby ensuring the traffic reduction benefits of noise reduction and air quality improvements in the residential and retail areas of Penwortham are achieved. The report noted these works are in two areas, with the Penwortham Triangle highway improvements to be completed for the opening of the Penwortham Bypass, currently programmed for January 2020, and the changes to the current A59 corridor through Penwortham built up area to begin immediately on the Bypass opening to traffic.

Complementing these works will be public realm improvement works in the local centre of Penwortham. These works are not so time constrained and Marcus explained that due to their nature and level of community interest shown thus far, the design for the local centre improvements may not be finalised in time to be included in the procurement exercise for the corridor works.

Officers continue to work both schemes in tandem and will procure through a single works contract if at all possible, if not it is anticipated that separately procured works can run seamlessly one after the other.

The report proposed that, outside constraints and pressures that would point to delivery using the County Council's Highways Service, an external tendering process offers the opportunity to ensure the full market element of market competition and value to these works.

Councillor Margaret Smith stated that the scheme is welcomed by South Ribble along with the measures being designed to encourage the use of the bypass and that the Borough Council looks forward to seeing the designs when available.

Councillor Phil Smith, South Ribble Borough Council (nominated Observer) stated that South Ribble would wish to see both schemes being taken forward at the same time.

Angie Ridgwell, Chief Executive and Section 151 Officer, Lancashire County Council advised the Executive and Stewardship Board that there were financial constraints relating to the scheme and that the funding available covered the works conditioned under the planning permission and that for the local centre works to be delivered, additional funding would need to be identified. It was noted that as part of the City Deal Review to reduce the overall deficit position in the model, options put forward by partners proposed a reduction to the original budget allocation to these corridor and local centre improvement works. Therefore whilst it may be preferable to combine procurement exercises it may not be possible due to financial constraints.

The Chairman re-iterated his understanding that the improvement works to the A59 to discourage through traffic from using the Liverpool Road corridor was a "Category A" scheme and an essential requirement to the delivery of the Penwortham Bypass.

Resolved: That the City Deal Executive:

- (i) Noted the scope and extent of the improvement works being designed for the Penwortham to City Centre Public Transport Priority Corridor improvement works; and
- (ii) Approved that a formal competitive tender process is undertaken for the delivery of these improvement works.

15. Eastway Link Road Scheme

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Marcus Hudson presented a report (circulated) regarding the Eastway Link Road Scheme which sought approval to add this road to the City Deal Programme.

It was noted that the scheme is to be fully funded by a housing developer under a Section 278 agreement under the Highways Act 1980 and so would be cost neutral to the City Deal.

The Executive and Stewardship Board clarified the arrangements with regard to financial security and agreed to support the proposal subject to ensuring satisfactory financial security arrangements are put in place.

Resolved: That the City Deal Executive agrees:

- (i) That the Eastway Link Road (connecting D'Urton Lane and Eastway in North West Preston) be added to the City Deal infrastructure delivery programme; and
- (ii) That, subject to the County Council entering into a satisfactory Section 278 Agreement under the Highways Act 1980 to obligate Story Homes to make staged payments for the full cost of the works (estimated to be circa £1.6m), and provided that a satisfactory bond agreement is put in place, funding be made available in order to let the contract for construction with the county council paying over that amount to the City Deal Infrastructure Delivery Fund.



CITY DEAL

Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal Stewardship Board

Minutes of the Meeting held on Tuesday, 12th March, 2019 at 2.30 pm at the Committee Room 'D' - The Henry Bolingbroke Room, County Hall, Preston

Present

Nicola Elsworth (Chairman)

Adrian Phillips
Tim Povall

Angie Ridgwell
Jim Carter

In Attendance

Councillor Matthew Brown, Leader, Preston City Council
County Councillor Geoff Driver CBE, Leader, Lancashire County Council
Councillor Margaret Smith, Leader, South Ribble Borough Council
Mark Rawstron, LEP Director
Nicola Elsworth, Head of Public Sector Land, Homes England
County Councillor Michael Green, Lancashire County Council (nominated Observer)
Councillor Phil Smith, South Ribble Borough Council (nominated Observer)
Councillor Clifford Hughes, South Ribble Borough Council, Cabinet Member (Strategic Planning and Housing)
Joanne Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council
Deborah Holroyd-Jones, Senior Development Manager, Homes England
Joanne Hudson, Project Manager, Lancashire County Council
Marcus Hudson, Planning Manager, Lancashire County Council
Richard Kenny, Interim Director of Economic Development and Planning, Lancashire County Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council
Sarah Parry, City Deal Programme Manager, Lancashire County Council
Ginette Unsworth, Head of Communications, Lancashire County Council

1. Welcome and Apologies for Absence

The Chairman welcomed all to the meeting. Apologies for absence were presented from Heather McManus, Chief Executive, South Ribble Borough Council with Tim Povall, Deputy Chief Executive, formally nominated as her representative.

Apologies for absence were also received from Councillor Peter Moss, Preston City Council's nominated Observer.

2. Minutes of the City Deal Executive Meeting held on 5th February 2019

Resolved: That the minutes of the City Deal Executive meeting held on 5th February 2019 be approved as an accurate record and duly signed by the Chairman.

3. Minutes of the City Deal Stewardship Board Meeting held on 5th February 2019

Resolved: That the minutes of the City Deal Stewardship Board meeting held on 5th February 2019 be approved as an accurate record and duly signed by the Chairman.

4. Matters Arising

None

5. Declaration of Interests

None

6. Homes England Quarterly Monitoring Progress Update - Q3 2018/19

Nicola Elsworth and Debra Holroyd-Jones both Homes England, presented a report (circulated) which provided the City Deal Executive and Stewardship Board with the Homes England Quarterly Monitoring Progress Update for Quarter 3 – 2018/19.

It was highlighted that the report provided details of each of the 11 Homes England sites and a progress update towards key milestones for each site.

It was noted that all 11 sites were generally progressing well and continuing to deliver. Further progress had been made on marketing and disposal of sites.

In terms of Site 1 - Cottam Hall, Phases 1, 2 and 3 continue to build out well. Phase 4 had progressed to a Reserved Matters Application. Following market testing Phase 6 is to be brought forward ahead of Phase 5, Phase 6 was now out to market.

With regard to Site 2 – Cottam Brickworks, meetings and negotiations had taken place (in January 2019) with all parties and further meetings would be held between all parties including the landowner's representatives to revise Heads of Terms for a new access agreement.

It was highlighted that with regard to Site 3 – Land at Eastway (residential) that Story Homes were building out well with 10 completions during this reporting period and that a grant payment of £345,692 had been paid to Lancashire County Council in December 2018.

Site 4 – Whittingham – It was reported that the Masterplan has been agreed and that a revised outline application is expected to be submitted by the end of March 2019.

Site 6 – Pickering Farm – A lot of work has been undertaken with Members at South Ribble Borough Council and the community on the masterplan, it is anticipated a submission on this application will be made by May 2019.

Site 7 – Altcar Lane continued to progress and its Reserved Matters application has been approved. Site preparation and build out has now commenced on this site.

Site 8 – Croston Road North, marketing had commenced with a view to having developer bids returned by late April / early May 2019.

Site 9 – Croston Road South continues to build out well.

To date this year (2018/19) up to the end of Quarter 3, a total of circa £5m had been paid in grants.

The Homes England Business Disposal Plan for all 11 sites will be prepared from April onwards which will help realign milestones and finances for the delivery of the sites.

In terms of housing completions this year the target was 139 and to date 115 have been delivered and it was envisaged that the target would be met or exceeded.

Resolved: The City Deal Executive and Stewardship Board noted the contents of the report and update provided on progress made across all 11 Homes England sites.

7. City Deal Transport Plans' Update

Marcus Hudson, Planning Manager, Lancashire County Council gave a presentation on City Transport, Public Transport Corridor, Local Centres, Walking and Cycling Plans.

It was noted that work continued on the City Deal Programme dealing with public transport and active travel modes, public realm and other aspects of the transport network serving the city centre and local centres. This was supported by three commissioned studies that were interlinked:

- Cycling and Walking Delivery Plan
- Public Transport Priority Corridors and Local Centres Master Planning; and

- City Transport Plan.

In addition it was highlighted that all three City Deal local authorities have worked closely at a technical level, alongside transport providers, local interest groups and other stakeholders in production of these plans.

Marcus presented in detail the various plans, the potential options and benefits of each option.

City Deal Members discussed some of the potential options in detail, including improving the environmental health and air quality in the area. It was noted that the plans will not be static and will continue to be worked on by officers in order to progress.

Resolved: The City Deal Executive and Stewardship Board noted the detailed presentation and ongoing development of the City Transport Plans.

8. City Deal Review Update

Sarah Parry, City Deal Programme Manager, provided an update to the City Deal Executive and Stewardship Board on progress regarding the City Deal Review.

Working is being done to create the Heads of Terms to continue to engage the consultants Steer in the next phase of works. Work is being done to bring forward a package of work, including funding models and communications plans, is being developed. The recommendations for Steer are being worked into each stream of the review.

Sarah Parry, City Deal Programme Manager, provided an update to the City Deal Executive and Stewardship Board on progress regarding the City Deal Review.

Working was being done to progress the new Heads of Terms under the guidance of consultants, Steer Economic Development.. The intention was to bring forward a package of improvement proposals to the City Deal Executive and Stewardship Board in July, which would comprise; revised Heads of Terms, governance arrangements, infrastructure delivery plan, a revised finance model and communications plan. The recommendations arising out of the Steer Review Report were being considered as part of these improvement packages.

Angie Ridgwell, Chief Executive and Section 151 Officer, Lancashire County Council, asked for clarification with regard to the specific resolution recorded at the last Combined City Deal Executive and Stewardship Board meeting that the revised Heads of Terms will be developed by the end of March 2019 with adoption by June 2019 at the latest with a full partnership agreement in place by July 2019. The City Deal Programme manager was asked to confirm that officer groups are arranged and in the diary with full participation by all partners.

The City Deal Programme Manager advised that she is still aiming for draft Heads of Terms by the end of March 2019 and for formal adoption to be achieved in time to be reported to the next Combined City Deal meeting scheduled to be held on

4th July 2019. Some officers had raised concerns as to whether this was achievable with South Ribble Borough Council advising that consideration cannot be given by them until the end of July 2019 due to their elections taking place in May 2019. The City Deal Programme Manager advised that she would at least want to ensure the City Deal Executive was sighted on any agreement at its meeting on 4th July 2019 before it is taken to respective councils for formal agreement. Assurance was given by partners that they would actively engage with the preparatory meetings.

Tim Povall, Deputy Chief Executive, South Ribble Borough Council, advised that if they were in a position to call an earlier emergency Council meeting following their elections in May 2019 they would do so.

County Councillor Geoff Driver, Lancashire County Council and Councillor Margaret Smith, South Ribble Borough Council debated the achievability of the timescales that members had agreed at the previous meeting for the City Deal Review and agreed to discuss this further outside of the formal meeting

Nicola Elsworth of Homes England, made a request for Homes England to be included in the discussions regarding the revised City Deal Heads of Terms. The City Deal Programme Manager confirmed Homes England will be included and meetings are in place involving all parties.

The Chairman, Jim Carter, also requested that it be noted that approval to the City Deal Review by the Lancashire Enterprise Partnership will need to be built into the timeline.

Finally, the Chairman, Jim Carter requested the City Deal Programme Manager to alert him as soon as possible, to any issues preventing the timescales for the City Deal Review from being achieved.

Resolved: The City Deal Executive and Stewardship Board noted the update provided and the resolution of the previous meeting regarding the agreed timescales for the City Deal review.

9. Infrastructure Delivery Update – 2018/19 Quarter 3 (Oct-Dec 2018)

Sarah Parry presented a report (circulated) which contained an Infrastructure Delivery update for Quarter 3 – October 2018 to December 2018.

It was recognised that as the reporting period ended over two months ago that current position updates had also been overlaid into the report to provide the latest position.

Following the decision taken at the previous City Deal Executive and Stewardship Board meeting to support the delivery of the A582 scheme in City Deal, subject to funding validation, this had now been referenced in the Dashboard. It was noted that progress had been made on this scheme with regard to design, planning application preparation and Compulsory Purchase Order (CPO) preparation.

An update was provided on the Preston Western Distributor and East West Link Road which had also been updated to include reference to the local contribution that the City Deal Executive approved at its last meeting. The Business Case would now be submitted in the spring firstly to the Lancashire Enterprise Partnership then to the Department for Transport.

In addition it was noted that at present there is roughly a 50/50 split between projects ragged as amber or green with the exception of one scheme – Guild Wheel Bluebell Way – which was red. The reason it was listed as red was that the design for the scheme required additional funding over and above that identified in the City Deal fund. Officers were looking at alternative sources of funding to bridge the gap.

A query was raised regarding the completion of the Bamber Bridge – Town Centre Improvements scheme with regard to the footpaths. It was advised that a funding envelope of £3.35m had previously been agreed by the City Deal Executive and that the extent of the works to be delivered was approved by the City Deal infrastructure Delivery Group, which includes representatives from each of the partner authorities. Clarification on the detailed cost breakdown was requested and it was agreed that officers would provide the detailed breakdown of costs on this scheme to South Ribble Borough Council.

Resolved: The City Deal Executive and Stewardship Board noted the Infrastructure Delivery Update Quarter 3 – October – December 2018 and the additional updates provided.

10. Any Other Business

None

11. Date of Next Meeting

It was noted that the next combined Preston, South Ribble and Lancashire City Deal meeting is scheduled to be held on 4th July 2019 at 10:15am in Committee Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

12. 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.

In addition, the Chairman proposed that Officer and Member Observers from the respective three Councils be allowed to remain.

Resolved: That Officer and Member Observers be allowed to remain present for the Part II items on the agenda.

13. City Deal Finance Monitoring Report for Quarter 3 - 2018 / 19

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Before consideration of the City Deal Finance Monitoring Report for Quarter 3 – 2018/19 the City Deal Executive Chairman, Jim Carter, requested that both the Executive and Stewardship Board consider an additional discussion under this heading regarding Homes England and potential additional investment.

Nicola Elsworth provided an overview of the potential significant investment from Homes England, which would need to be aligned to the delivery of a specific infrastructure scheme. Given the requirement to defray any potential investment by March 2021; the Preston Western Distributor is recognised as the most advanced infrastructure scheme that can release additional new homes (above the current City Deal target) giving rise to the scheme being best suited to the Homes England programme criteria.

Any potential additional investment is subject to the scheme criteria, production of a business case and approval by Homes England Board and potentially MHCLG. In addition any new investment will have to be considered in the context of current City Deal delivery to date and Homes England expressed some concern about this, given comments made at the last Programme Board regarding the delivery of two major schemes in South Ribble.

Councillor Margaret Smith, Leader of South Ribble Borough Council stated that South Ribble was committed to the City Deal and had been all the way along. It was reported that the Test Track site had been considered by the South Ribble planning committee and a decision was deferred with a request that partners get together and it was anticipated that it would be reconsidered very soon and hopefully be approved. In addition Councillor Smith advised the City Deal Executive and Stewardship Board that South Ribble were committed to Pickerings Farm (or The Lanes as it is now referred) and had been all the way along and were committed to putting more money into the scheme to get the infrastructure in place first.

Councillor Smith concluded by stating that South Ribble were committed to City Deal as a Council and administration and that she could not say it any firmer than that and that the potential offer made by Homes England was fantastic. The Chairman re-iterated that if any partners do have concerns about commitment to raise those issues with him directly.

In addition, Adrian Phillips, Interim Chief Executive, Preston City Council re-confirmed his Council's commitment to the City Deal and delivery of all the sites within the scheme.

Resolved: That the potential offer from Homes England be welcomed and that it be noted that all partners re-confirmed their commitment to City Deal.

Joanne Ainsworth, Lancashire Enterprise Partnership and Special Projects Manager, Financial Management, Lancashire County Council presented a report (circulated) which contained the City Deal Finance Monitoring report for Quarter 3 2018 / 19. It was acknowledged that as the report was circulated late, Executive and Stewardship Board members were encouraged to take the report away, digest, and could follow up with Joanne outside of the meeting if they had any questions or queries.

Resolved: The City Deal Executive and Stewardship Board

- (i) Noted the Quarter 3 Finance Update; and
- (ii) Noted the key risks and issues going forward and accepted mitigation is needed to ensure the model remains balanced over the lifetime of the deal utilising the three strategies advised by the Steer Review report of expenditure mitigation, income generation and scheme prioritisation.

14. Procurement of Penwortham/City Centre Public Transport Priority Corridor Improvement Works

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Marcus Hudson presented a report (circulated) regarding the Procurement of Penwortham / City Centre Public Transport Priority Corridor Improvement Works.

It was noted that a design was currently being worked on with a tender package proposed to be put through a formal external competitive tender process in May 2019 with works anticipated to commence in September 2019. The report noted that the improvements to the A59 through Penwortham are required by a Condition to the planning permission granted for Penwortham Bypass. The Condition requires a scheme to be implemented to discourage use of the current A59 through Penwortham and promote the use of the bypass, thereby ensuring the traffic reduction benefits of noise reduction and air quality improvements in the residential and retail areas of Penwortham are achieved. The report noted these works are in two areas, with the Penwortham Triangle highway improvements to be completed for the opening of the Penwortham Bypass, currently programmed for January 2020, and the changes to the current A59 corridor through Penwortham built up area to begin immediately on the Bypass opening to traffic.

Complementing these works will be public realm improvement works in the local centre of Penwortham. These works are not so time constrained and Marcus explained that due to their nature and level of community interest shown thus far, the design for the local centre improvements may not be finalised in time to be included in the procurement exercise for the corridor works.

Officers continue to work both schemes in tandem and will procure through a single works contract if at all possible, if not it is anticipated that separately procured works can run seamlessly one after the other.

The report proposed that, outside constraints and pressures that would point to delivery using the County Council's Highways Service, an external tendering process offers the opportunity to ensure the full market element of market competition and value to these works.

Councillor Margaret Smith stated that the scheme is welcomed by South Ribble along with the measures being designed to encourage the use of the bypass and that the Borough Council looks forward to seeing the designs when available.

Councillor Phil Smith, South Ribble Borough Council (nominated Observer) stated that South Ribble would wish to see both schemes being taken forward at the same time.

Angie Ridgwell, Chief Executive and Section 151 Officer, Lancashire County Council advised the Executive and Stewardship Board that there were financial constraints relating to the scheme and that the funding available covered the works conditioned under the planning permission and that for the local centre works to be delivered, additional funding would need to be identified. It was noted that as part of the City Deal Review to reduce the overall deficit position in the model, options put forward by partners proposed a reduction to the original budget allocation to these corridor and local centre improvement works. Therefore whilst it may be preferable to combine procurement exercises it may not be possible due to financial constraints.

The Chairman re-iterated his understanding that the improvement works to the A59 to discourage through traffic from using the Liverpool Road corridor was a "Category A" scheme and an essential requirement to the delivery of the Penwortham Bypass.

Resolved: That the City Deal Executive:

- (i) Noted the scope and extent of the improvement works being designed for the Penwortham to City Centre Public Transport Priority Corridor improvement works; and
- (ii) Approved that a formal competitive tender process is undertaken for the delivery of these improvement works.

15. Eastway Link Road Scheme

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

Marcus Hudson presented a report (circulated) regarding the Eastway Link Road Scheme which sought approval to add this road to the City Deal Programme.

It was noted that the scheme is to be fully funded by a housing developer under a Section 278 agreement under the Highways Act 1980 and so would be cost neutral to the City Deal.

The Executive and Stewardship Board clarified the arrangements with regard to financial security and agreed to support the proposal subject to ensuring satisfactory financial security arrangements are put in place.

Resolved: That the City Deal Executive agrees:

- (i) That the Eastway Link Road (connecting D'Urton Lane and Eastway in North West Preston) be added to the City Deal infrastructure delivery programme; and
- (ii) That, subject to the County Council entering into a satisfactory Section 278 Agreement under the Highways Act 1980 to obligate Story Homes to make staged payments for the full cost of the works (estimated to be circa £1.6m), and provided that a satisfactory bond agreement is put in place, funding be made available in order to let the contract for construction with the county council paying over that amount to the City Deal Infrastructure Delivery Fund.



1.0 Report Overview

- 1.1 This report provides an update on the progress made by Homes England on the delivery of the City Deal housing sites from 01.01.19 to 31.03.19. It focuses on the key delivery milestones, finances invested, outputs and draws out key risks and emerging issues.

2.0 Recommendation

- 2.1 The Stewardship Board and Executive are recommended to:

2.1.1 Note the content of the report and the progress made.

3.0 Homes England Site Highlights – Q4 2018/19 (01.01.19 to 31.03.19)

- 3.1 Between the period 01.01.19 and 31.03.19, good progress has been made on a number of Homes England sites. Key highlights for this quarter including forecast milestones for the next quarter can be found in the table below:

Site	Project	Status	Completion s/ total units	Completions (Jan-Mar)	Finance (Jan-Mar)	Summary	Milestones for next quarter (Apr-Jun)
1	Cottam Hall Phase 1 (Site K)	Barratt completed on site	104/104 (100%)	13	N/A	This site was completed by the end March 2019 (with the majority of homes having been completed by mid-February 2019).	n/a
	Cottam Hall Phase 2	Story Homes on site.	82/283 (29%)	12	£448,393 Grant Payment	Story Homes building out well, with 12 completions claimed within this reporting period.	Ongoing build out

Site	Project	Status	Completion s/ total units	Completions (Jan-Mar)	Finance (Jan-Mar)	Summary	Milestones for next quarter (Apr-Jun)
	Cottam Hall Phase 3	Unconditional deal with Morris Homes in place	0/119 (0%)	N/A	N/A	There have been ongoing issues with new trapping but there was a formal start on site made by Morris Homes in January 2019. No completions have yet been recorded on this site but are expected during Q2 2019/20.	Ongoing build out
	Cottam Hall Phase 4	Conditional deal with Rowland Homes in place	0/135	N/A	N/A	Reserved Matters Application for 135 homes was submitted on 29 th January 2019. Conditional contract with Rowland Homes was entered in to on 29 th March 2019.	Determination of Reserved Matters application
	Cottam Hall Phase 5 and 6	Bids received on one parcel of Phase 6 are currently being evaluated	Phase 6 (two parcels) – 0/176 Phase 5 – 0/233	N/A	N/A	Market Testing across the Cottam sites shows lots of positive activity – both current and pipeline opportunities. On that basis a decision was made to bring forward Phase 6 ahead of Phase 5. Survey work has since been undertaken on Phase 6. Abnormals relate to drainage and the site is to be split in to two parcels. Since the end of Q4, bids have been received on the western part of Phase 6 (52 units) (on a Freehold basis) and these are currently in the process of being evaluated. Strategy on the remaining 124 units is currently being considered. This is likely to be marketed on a similar basis.	Evaluation of bids and progression of Legals with Preferred Bidder

Site	Project	Status	Completion s/ total units	Completions (Jan-Mar)	Finance (Jan-Mar)	Summary	Milestones for next quarter (Apr-Jun)
2	Cottam Brickworks	Recommended negotiations with land owner and LCC	0/206 (0%)	N/A	N/A	Meetings and negotiations have taken place (during January 2019) with Homes England, LCC, PCC and BXB. BXB have recently appointed a Project Consultant Team to progress a planning application on this which they expect to submit during Summer 2019.	Further meetings to be held between Homes England, LCC and the landowner's representatives to revise Heads of Terms for new access agreement.
3	Land at Eastway (resi)	Story Homes on site.	57/300 (19%)	9	N/A	Story Homes building out well with 9 completions this reporting period.	Phase 2 of the Highways works to commence during April. Works on the Link Road to start during May 2019
	Land at Eastway (commercial)	Conditional contracts exchanged with HBS Healthcare Ltd – not yet on site.	N/A (commercial)	N/A	N/A	Contracts were exchanged with HBS Healthcare Ltd in May 2018 on a conditional basis. Access works have since been delayed until at least September 2019; this is due to the ongoing issues related to the phasing of the required highway works. Unconditional disposal to HBS Healthcare is now to be delayed as the access needs to be built before the relevant condition(s) attached to the planning permission can be discharged.	12 month extension to Land Sale to be agreed – Wilmott Dixon to deliver the road, commencement due late 2019 and may be subject to further delay
4	Whittingham	Taylor Wimpey on site (phase 1 only)	Phase 1 - 123/150 (82%)	5	N/A	Good progress on Phase 1 with 5 completions in this reporting period. In relation the remaining site the Masterplan	Monitoring of application through to determination including continued

Site	Project	Status	Completion s/ total units	Completions (Jan-Mar)	Finance (Jan-Mar)	Summary	Milestones for next quarter (Apr-Jun)
						has been consulted on with PCC; with an Outline Planning Application for up to 750 homes submitted during March 2019 – this was validated on 25 th April 2019.	s.106 negotiations
5	Preston East EA	Site not yet marketed	N/A (commercial)	N/A	N/A	There is a range of interest in the site. Homes England's internal approval for the required investment into the site, and the proposed disposal strategy, is required, and following this, site investigations and de-risking works will commence.	Homes England's internal approval for the required investment into the de-risking works to commence
	Preston East – Sector D	Deal completed with Inchcape Estates – now on site	N/A	N/A	N/A	Inchcape Estates are site and construction is underway.	Ongoing build out
6	Pickerings Farm	Masterplan and outline application preparation	0/297 (0%)	N/A	N/A	Finalisation of Masterplan and technical studies for submission as part of the outline planning application process. Masterplan was approved for consultation by SRBC in November 2018. Ongoing detailed discussions and dialogue with SRBC and the Steering Group throughout the process.	Finalisation of Masterplan with an Outline Planning Application to be submitted, for 1,350 homes, by the end of June 2019
7	Altcar Lane	Reserved Matters application approved	0/200 (0%)	N/A	N/A	Since entering in to an Unconditional Sale, Lovell has since commenced development on-site during February 2019. No completions have yet been recorded on this site.	Ongoing build out and first completions
8	Croston Road North	Marketing commenced	0/400 (0%)	N/A	N/A	Soft market testing has been undertaken which has included larger developers from the	Bids to be returned and evaluation of bids

Site	Project	Status	Completion s/ total units	Completions (Jan-Mar)	Finance (Jan-Mar)	Summary	Milestones for next quarter (Apr-Jun)
						Homes England's panel as well as SMEs. Formal ITT was issued during March 2019 – this was delayed due to outstanding s.106 discussions related to the proposed on site leisure facilities. Bids were expected to be returned by 29 th May but this has since been extended to 19 th June.	is expected to be completed Homes England Approvals are expected during Q2 19/20 with Conditional Contracts expected to be entered in to by the end of Q3 19/20
9	Croston Road South	Miller on site.	Phase 1 - 75/175 (43 %) Phase 2 – 28 / 79 (35%)	0 8	N/A	Miller on site and building out – 0 completions during this reporting period. 8 completions have been recorded on Phase 2 of this site.	Ongoing build out
10	Brindle Road	Complete	46/46 (100%)	N/A	N/A	All units completed and all finances paid.	N/A
11	Walton Park Link	Morris on site	0/350 (0%)	N/A	N/A	Morris commenced early site clearance works on site in September. Remediation work and construction of link road means that the first housing completions are likely to be in Q1 2019/20.	Ongoing site works

4.0 Finance

- 5.1 Homes England is currently on track to pay the £37.5m grant by 2022/23; this position will be reviewed during the preparation of the Homes England City Deal Business Plan (2019). For 2018/19, four grant payments have been made to LCC, the first being £2.49m (in April 2018) in relation to Croston Road South, £2m (in August 2018) and £345,692 (overage

uplift) in December 2018 paid in relation to Land at Eastway (residential). A final grant payment was made in January 2019 of £448,393 relating to Cottam Hall Phase 2 (Story Homes). A loan payment of £3.9m was also paid to LCC in August 2018 in relation to Cottam Hall Phase 3 (Morris Homes) going unconditional.

6.0 Risks

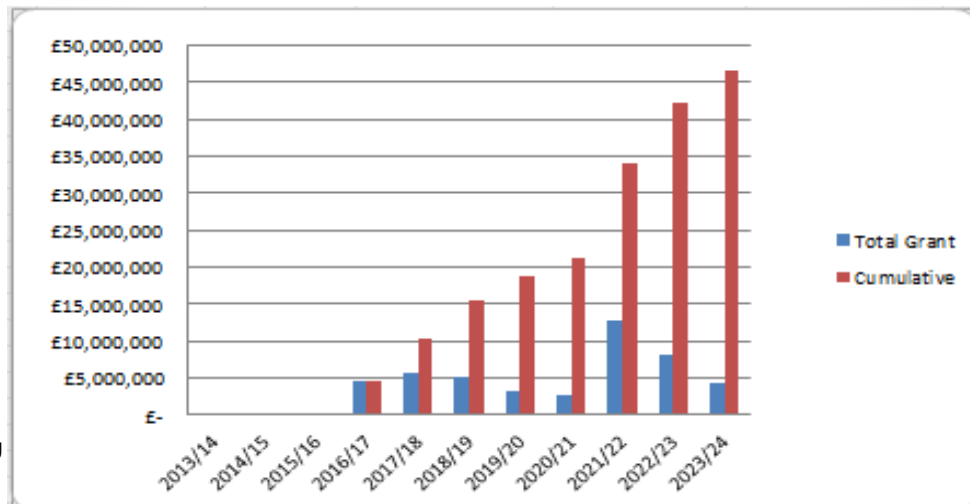
- 6.1 There are two large sites in Homes England's ownership (Pickering's Farm and Whittingham Hospital) where unforeseen challenges have presented themselves due to a complicated mix of land ownerships and detailed technical matters. Very good progress is being made on both. An outline planning application has been submitted for Whittingham (during March 2019) and an application on Pickering's Farm is due for submission by late June 2019. There is also an emerging risk on Land at Eastway (Commercial) as the highway access works are further delayed due to phasing complications.

7.0 Summary of Delivery

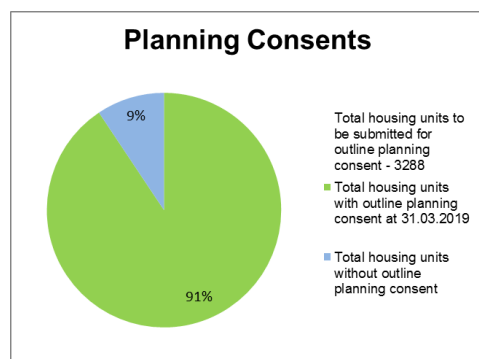
- 7.1 Overall, across the portfolio, good progress is being made on site delivery and related payments. During Q4 delivery successes included:
- Formal start on site has been made at Cottam Hall Phase 2 and Altcar Lane;
 - Cottam Hall Phase 1 (Site K) has since completed its build out by Barratt;
 - Reserved Matters application was submitted at Cottam Hall Phase 4;
 - Whittingham – an Outline Planning Application was submitted on 29th March 2019;
 - Pickering's Farm – Masterplan is currently being finalised alongside SRBC with the Outline Planning Application to be submitted by the end of June 2019;
 - Cottam Brickworks – Recommended discussions with landowner's representatives in regards to the site access agreement and the submission of the related planning application (for Phase 2) is imminent. Good progress is being made on Phase 1 with a start on site expected later this year; and
 - Cottam Phase 6 – bids have since been received and being evaluated for a Freehold Disposal during Q2 2019/20.



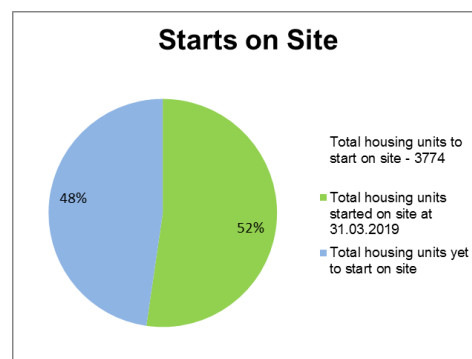
APPENDIX 1 – DASHBOARD



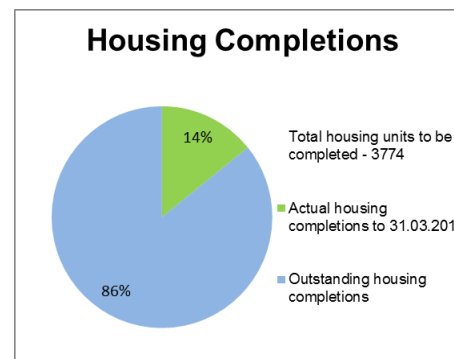
	Quarter 1 (Apr – June 18)	Quarter 2 (July – Sept 18)	Quarter 3 (Oct – Dec 18)	Quarter 4 (Jan – Mar 19)	In Year Actual	BDP Forecast for Year
Grant	£2,488,050	£2,000,000	£345,692	£448,393	£5,282,135	£5,079,785
Loan	£0	£3,900,000	£0	£0	£3,900,000	£3,950,000
Housing Completions	44	28	43	47	162	139



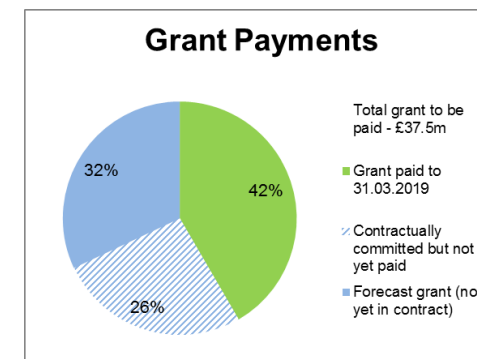
Of the Homes England residential City Deal sites, only Pickerings Farm is yet to achieve planning (and unit numbers are likely to differ to what is remaining), however an amended planning consent for the remaining Whittingham phases is required which has recently been submitted.



Housing starts have been claimed for 1,657 units on Homes England City Deal sites to date. During this reporting period a start on site was recorded for Cottam Hall Phase 3 and Altcar Lane. Starts are claimed in full upon commencement of the site.



There have been 536 housing completions to date on Homes England City Deal sites. There were 47 housing completions during this reporting period.



To date, £15,605,975 has been paid to LCC as grant, with a further £10m contractually committed to be paid upon receipt of annual payments on completed disposals.



CITY DEAL

Preston, South Ribble & Lancashire

CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD

Private and Confidential: NO

Date: Thursday, 25 July 2019

End of Year Performance Monitoring Report - Year 5 - 2018-19

Appendix 1 – City Deal Performance Dashboard

Appendix 2 – Housing and Commercial Sites Dashboard

Appendix 3 – Skills and Employment Case Studies Dashboard

Appendix 4 – Q4 Infrastructure Performance Dashboard

Appendix 5 – Risk and Issues log

**Report Author: Joanne Hudson, Tel: 07772 112959,
joanne.hudson@lancashire.gov.uk**

Executive Summary

This report provides the City Deal Executive and Stewardship Board with an overview of how the Programme has performed during the twelve month period between 1st April 2018 – 31st March 2019 (year 5). The City Deal performance dashboard attached at Appendix 1 provides a summary of performance against core and supporting outputs and will form part of the monitoring return to Government.

Performance can be summarised as follows:

Housing outputs – Overall, housing performance remains positive against targets with 1289 unit completions against a target of 1130. Total completions since the start of the deal are 4991 (including 346 re-use of empty homes – no change from previously reported). Individual site progress and performance on key sites is considered in Appendix 2.

Commercial sites – Demand for commercial land remains high and commercial floorspace completions remain positive year on year, as do job creation figures. Overall there has been a continuation of strong performance in commercial site construction activity, especially in respect of business park/edge of town retail/car showroom activity. Demand remains high at key employment sites in some sectors for industrial uses, with a range of schemes progressing well to make land available. The office market values remain challenging, as are high street retail conditions although a range of leisure schemes are under construction/in development.

Employment and skills – Work continues with partners to deliver a range of activities with schools and businesses aimed at encouraging the recruitment of apprentices



within the construction sector. This report represents an update on key activities in the last year with detailed case studies presented in Appendix 3.

Public and Private sector investment – A total of £130.5m of public and private sector investment has been made in transport infrastructure since April 2018.

Infrastructure update – Appendix 4 provides an update on performance against milestones for all infrastructure schemes in quarter 4 (January – March 2019). Overall good progress was made on key schemes such as the formal commitment to support the Preston Western Distributor by the City Deal Executive. Good progress was also made on the delivery of the Broughton Corridor Works and the Penwortham bypass.

Risk analysis and management – Appendix 5 provides an overview of programme level risks and mitigating actions.

Recommendation

The City Deal Executive and Stewardship Board is requested to note the overall performance of the Programme in the 2018/19 (Year 5) monitoring period and endorse the proposed return to Government as set out in the report.

Background and Advice

1.0 Background and Advice

1.1 This report provides an update on performance over the last year on both core and supporting outputs.

2.0 Housing Outputs

2.1 In 2018 the city deal housing delivery profile was reviewed and updated by Hive independent land and planning consultants. The revised profile has been used to set the targets for this monitoring period.

2.2 Overall, since the start of the Deal period, housing completions stand at **4991** with **1,289** completions in the last year between April 2018 and March 2019 against a target of **1130**. Of the unit completions this year **928** were on City Deal named sites, **361** were on other non – City Deal sites (windfalls).

2.3 In the last year a total of **3644** units were submitted for planning and **3008** units were consented, receiving outline or full planning permission. Cumulatively a total of **16,654** housing units have been submitted for planning to date, with **15,537** being consented.

2.4 Overall there has been a strong trend of planning submissions across the city Deal area on 'windfall sites'. This is evident in both Preston and South Ribble. The



CITY DEAL

Preston, South Ribble & Lancashire

main difference however, is that applications in South Ribble tend to be for single units on a large number of sites whereas in Preston the picture for windfall sites is mixed with some large sites and a number of single unit sites.

2.5 A total of **479** units were submitted for planning (outline and full) in South Ribble with all of these on windfall sites. Reserved matters applications were submitted on Altcar lane North for 200 units and Moss Lane Heatherleigh, (north of southern section) for 175 units. Units consented in South Ribble totalled **704**, with **454** (outline and full) on named sites and **250** on windfall. Reserved matters applications were granted on Altcar Lane and Altcar Lane North and Wheelton lane for a total of **631** units. Whilst reserved matters applications are not counted in the units submitted or consented, as they are not new units, they do represent positive progress towards build out on key sites. In Preston a total of **3165** units were submitted for planning (outline and full) in the last year with **1103** on named and **2062** on windfall sites. The largest single submission was for **750** units outline permission on the former Whittingham Hospital Site with the remainder on NW Preston sites. Planning submissions on windfall sites in Preston originated from 162 sites in total but the majority of units were on just 12 sites (1366 on 12 sites).

2.6 The Steer review recommended that site progress could be more accurately measured by assessing the full range of planning permissions. Future reports will provide a full breakdown of units submitted and consented by outline, full and reserved matters applications in order to fully assess the development pipeline.

Table 1 Preston & South Ribble Housing – core and supporting outputs

Core and supporting outputs	Target (2018/19)	Actual (2018/19)	Total to date
Total number of Housing units completed	1,130	1,289 <i>(928 on named sites and 361 on addition)</i>	4,991 <i>(inc 346 re-use of empty homes)</i>
Total number of housing units submitted for planning *	-	3,644	16,654
Total number of Housing units consented for planning *	-	3,008	15,537
Sites at which construction is actively taking place	-	36	



Table 2 Preston Housing – core and supporting outputs

Core and supporting outputs	Target (2018/19)	Actual (2018/19)	Total to date
Total number of Housing units completed	870 <i>(631 on named sites & 239 on additional)</i>	798 <i>(599 on named sites & 199 on additional)</i>	3,306
Total number of housing units submitted for planning *	-	3,165 <i>(1,103 on named sites & 2,062 on additional)</i>	-
Total number of Housing units consented for planning *	-	2,304 <i>(614 on named sites & 1,690 on additional)</i>	-
Sites at which construction is actively taking place	-	22	

Table 3 South Ribble Housing – core and supporting outputs

Core and supporting outputs	Target (2018/19)	Actual (2018/19)	Total to date
Total number of Housing units completed	260 <i>(190 on named sites & 70 on additional)</i>	491 <i>(329 on named sites & 162 on additional)</i>	1,685
Total number of housing units submitted for planning (Outline & Full only)	-	479 <i>(0 on named sites & 479 on additional)</i>	-
Total number of Housing units consented for planning *	-	704 <i>(454 on named sites & 250 on additional)</i>	-
sites at which construction is actively taking place	-	14	

* Includes Outline and Full Planning consent only

Targets have been informed by the Hive housing trajectory 2018

Housing delivery – Implications for City Deal:

- 2.7 Overall unit delivery on both named City Deal sites and on windfall sites has exceeded targets for 2018-19. Performance in South Ribble has been much stronger in the last year than previously, with Preston delivery remaining strong overall and particularly in North West Preston. A slight delay in completions in the City Centre has affected overall performance against Preston targets but construction is now back on track with completions of city centre apartments expected in the next year.



CITY DEAL

Preston, South Ribble & Lancashire

With regard to the impact on the City Deal finance model, the category of the site (i.e. named or windfall) has a direct bearing on how income is forecast. Therefore it is important to note that whilst outputs overall are positive against targets, the mix, location and type of unit is important in determining income into the model. A separate finance report will consider the impact of recent housing performance on income targets and how future forecasts should be revised. Appendix 2 provides more information about the performance and progress of individual named sites. There are a small number of sites that are now not predicted to deliver in the year originally profiled and this will have a direct impact on when the income is forecast to come into the model, these sites are:-

Moss Side Test Track – phase 1 (175 units) – build out now year 7 (was yr 6).
Inglewhite Road, Preston (190 units) – build out now year 7/8 (was yr 6)

- 2.8 Focussing upon the key Homes England sites, progress has been made against the following key milestones in 2018/19:

Table 2: Outputs on Homes England sites

OUTPUT	2018/19 Forecast	Year End Actual (at 31 March 2019)
Start on site	1	2
Housing completions	139	162
Site completions	1	1
Planning application submissions (includes Outline and Reserved Matters)	3	3
Planning application approvals (includes Outline and Reserved Matters)	1	1
Sites currently under construction*	8 Housing 1 Employment	6 Housing 1 Employment

*When referring to Homes England sites, for the purpose of the table above and paragraphs below each phase on Cottam Hall has been counted as a separate site. For example for Cottam Site K, Phase 2 and Phase 3 are being treated as three sites.

Source: Homes England

3.0 Performance on Homes England Sites:

- 3.1 2018/19 has been another productive and successful year in terms of activity and delivery on the 11 City Deal Homes England sites. Residential development is currently underway at 6 Homes England City Deal sites and developers are continuing to build out at a good pace. During 2018/19, 162 new homes have been completed against an annual forecast of 139 units which is a great



CITY DEAL

Preston, South Ribble & Lancashire

achievement and shows the ongoing commitment to delivery and market interest. Build out has recently been completed by Barratt on Cottam Hall Phase 1 (Site K) with final units completing during February 2019. Whittingham Phase 1 is continuing to deliver well with 42 completions during 2018/19 as well as Eastway with 28 completions during 2018/19. Formal starts on site have been made at Cottam Hall Phase 3, Morris Homes (during January 2019) and Altcar Lane, Lovell Homes (during February 2019) with completions expected early on in 2019/20.

- 3.2 A Conditional Contract was entered in to with Rowland Homes on Cottam Hall Phase 4 with a Reserved Matters Application for 135 units currently under consideration. A huge amount of progress has continued to be made on the complex de-risking of Pickering's Farm and Whittingham Hospital. A new Outline Planning Application for 750 units has been submitted at Whittingham Hospital (in March 2019). A revised section 206 is currently being negotiated and the implications on the city deal financial model are not yet fully known. The Masterplan along with the preparation of a range of technical due diligence work and partnership work has been the focus for the Pickering's Farm site in 2018/19. The Masterplan is currently in the process of being finalised with an Outline Planning Application expected to be submitted in late June 2019.
- 3.3 Other work relating to the renegotiation of an access agreement for the Cottam Brickworks site has also commenced during 2018/19. A deal has since been entered in to between Cottam Properties and Lane End Developments on Phase 1 which is expected to make a start on site during 2019/20.
- 3.4 In terms of finances, Homes England is currently on track to pay the £37.5m grant by 2022/23 with some £15.26m having been paid in grant to date. For 2018/19, four grant payments have been made to LCC, the first being £2.49m (in April 2018) in relation to Croston Road South, £2m (in August 2018) and £345,692 (overage uplift) in December 2018 paid in relation to Land at Eastway (residential). A final grant payment was made in January 2019 of £448,393 relating to Cottam Hall Phase 2 (Story Homes). A loan payment of £3.9m was also paid to LCC in August 2018 in relation to Cottam Hall Phase 3 (Morris Homes).

4.0 Commercial Sites

- 4.1 Commercial floorspace completions continue to perform well, especially on existing employment sites where build out has been brought forward for smaller units and car showrooms.
- 4.2 There has been a consistent performance of completions year on year, with a strong pipeline of projects that are currently under construction/in development.
- 4.3 Out of town retail sites are performing well, where car retail showroom developments are proving attractive to the market, with other retail activity continuing on-site at Eastway and Queen's Retail Park. Planning consents continue for such uses, with additional demand coming forward for 'energy from



CITY DEAL

Preston, South Ribble & Lancashire

waste' and recycling schemes and a limited number of occupier-led warehouse distribution schemes.

- 4.4 Completions in the immediate term will continue to be concentrated at Preston East employment sites where land is expected to be brought forward for similar smaller unit developments, and possible medium-sized occupier led schemes (albeit for the latter the market remains relatively untested and viability can be an issue depending upon company covenant strength).
- 4.5 Demand remains high at key employment sites for, for example, large logistics operators and for some strategic local re-locations. Work is ongoing to bring forward large sites including next phase employment land at Preston East and major sites such as Moss Side Test Track, Farington Hall Estate and Lancashire Central, Cuerden.

Commercial floorspace Completions

- 4.6 There has been a relatively consistent performance of completions year on year with **8,321.5 sq m** of completions in 2018/19. This compares with an in year trajectory of **15,745 sq m**, which has not been met due to a slight delay to the practical completion of UCLan's Engineering Innovation Centre, which otherwise would have resulted in the target being met. Cumulative performance on completions is measured against the Keppie Massie baseline target set in 2016. This shows that completions are less than predicted by -46,321.5 sq m. This is due to slower than anticipated build out on some mixed use/retail sites in North West Preston and also at Cuerden.

Submissions/Consents

- 4.7 In total, **47,182 sq m** of commercial floorspace was **submitted** for planning and a total of **42,829 sq m** of commercial floorspace was consented. Both compare favourably with the in year trajectory of **16,069 sq m** demonstrating an encouraging market outlook with pipeline development at Samlesbury Aerospace Enterprise Zone and city centre leisure schemes coming forward.



Table 3: commercial floorspace – core and supporting outputs

Core and supporting outputs	2018/19 Trajectory (sq m)	2018/19 Actual (sq m)	2018/19 Variance (sq m)	Cumulative To date	Cumulative variance to date *
Commercial floorspace completed (sq m)	15,745	8,321.5	-7,423.5	63,913.5	-46,321.5
Commercial floorspace consented for planning (sq m)	16,069	42,829	+26,760	n/a	n/a
Commercial floorspace submitted for planning	16,069	47,182	+31,113	n/a	n/a

(*) cumulative variance against Keppie Massie baseline targets 2016)

How we are working to progress employment sites:

4.8 In total, 13 projects are performing in line with anticipated completion targets. A further 11 projects have mitigation actions in place to support delivery, whilst 3 projects face commercial viability issues and significant barriers to progress, these are Whittingham, Pickerings Farm and College Court, Winckley square. See appendix 2, housing and commercial sites dashboard.

4.9 Whilst development activity is subject to market demand and commercial opportunities, partners are working to ensure that future targets are met by:

- I. Releasing land – progress is being maintained on making land available for development, in particular on public sector land in Preston East and at Lancashire Central, Cuerden. There has been a recent acquisition of a large site by Barnfield/Henry Boot Developments in Preston East and a development programme is being considered, whilst work is ongoing in respect of Farington Hall Estate in South Ribble where there has been recent developer interest, and a planning application is being progressed for Moss Side Test Track where there is significant commercial opportunity.
- II. Developing the city centre – a range of activities are being undertaken to develop and implement city-wide schemes, with ongoing UCLan masterplan delivery, complementary public realm schemes underway, progression of an office/hotel scheme business case and development of key leisure scheme proposals.



- III. Marketing - implementation of a Marketing & Communications Plan continues to generate investor interest. Recent activities include an update on key sites at a Place North West Event.
- IV. Supporting Growth – a strong business support programme (BOOST) is generating jobs growth, whilst skills support activities are helping to facilitate company growth. An enquiry handling service facilitates inward investment activity.

5.0 Jobs related to commercial floorspace

5.1 There have been a total of **1,711** jobs in 2018/19 that are associated with City Deal commercial floorspace completions, new sales and lettings, infrastructure construction and BOOST business support activities. Table 4 below provided a breakdown of jobs targets and outputs.

Table 4: Jobs – outputs

Jobs outputs	2018/19 Trajectory	2018/19 Actual	Cumulative
Jobs accommodated			
- Via commercial floorspace completions*	366	193	1,485
- Jobs associated with new sales & lettings	N/a	1,129	10,974
- Construction jobs connected to Capital Investment**	N/a	321	1,893
- Business Support activities	N/a	67	517

* Gross jobs based on an average of 43 sq m per job, as per CLG guidance.

** Based on one job per £86,945 of capital investment

5.2 In addition to the above, **267** businesses in Preston and South Ribble have been supported specifically through the BOOST project, and **67** associated jobs created, see table 5 below.

Table 5: Business support and associated jobs

Output	2018/19
New businesses supported through BOOST	267
Jobs created through BOOST business support	67

source: BOOST



6.0 Skills and Employment

- 6.1 The outputs in relation to skills and employment covering the 2017/2018 academic year were reported to this Board on 5th February 2018. The City Deal outputs for skills and employment will be updated in November 2019 following the end of the academic year and reported to the Board in line with the time frame for reporting on these metrics.
- 6.2 Partners have continued to deliver a wide range of activities in the City Deal area directly with schools and businesses and have also been proactive in recruiting apprentices within the construction sector. As reported previously, apprenticeship starts in the construction sector across the Central Lancashire area bucked the national trend of declining numbers since the introduction of the apprenticeship levy and the introduction of the new apprenticeship standards. This represents the fourth consecutive year on year increase in apprenticeship starts for the sector in the City Deal area.
- 6.3 One project which clearly demonstrates how social value can be delivered through construction projects is UCLan's Engineering Innovation Centre. In addition to providing state of the art facilities, the EIC has successfully secured a commitment to Social Value that covers a range of thematic areas including an 'Inclusive Workforce', 'Future Workforce', a 'Skilled and Productive Workforce' and 'Community Benefits'. The key outcomes of the project have been analysed using the National Social Value framework Themes Outcomes and Measures to attribute a financial value using HM Treasury's Green Book unit costs and proxy values. To date the EIC project has delivered a total of £5,864,644.00 of added social value during the construction phase of the project. Some of the key achievements include:
- 29% local labour utilisation on the construction phase of the project
 - 82 Employment (FTE) opportunities for local residents
 - 420 apprenticeships weeks
 - A total of £3,493,249.95 was spent with local Lancashire based businesses, of which £2,296,644.95 was spent with local SME's
- 6.4 As previously highlighted in City Deal Executive and Stewardship Board reports, the City Deal 'Bridge the Gap' programme has continued to go from strength to strength. Over the 2018/19 academic year the programme has been delivered to Year 9 and 10 pupils at a total of 17 schools across the City Deal area of Central Lancashire. One of the many schools that participated in this year's programme was Longridge High School (see attached case study).






CITY DEAL

Preston, South Ribble & Lancashire

A full evaluation report will be prepared at the end of the current academic year to highlight the numbers of schools and pupils engaged during the 2018/19 academic year.

- 6.5 The Central Lancashire Construction Skills Hub continues to be a key partner in delivering activity. Examples of recent activity include the Central Lancashire Pathway to Construction Event at Preston's College on the 17th May. The event provided an opportunity for local businesses and providers to get an update on the City Deal programme and an update from the planning teams at Preston City Council and South Ribble Borough Council. In addition, there was also a presentation from keynote speaker, Martyn Price from the Cross-industry Construction Apprenticeship Task Force.
- 6.6 Following the announcement of the revised proposals at the Lancashire Central strategic site at Cuerden, the Skills and Employment Hub will be working closely with the City Deal Project Team to ensure that the site wide Employment and Skills plan is revised to reflect the new proposals.
- 6.7 On the 3rd May Seddon held a 'Meet the Buyer' event hosted by Preston's College to highlight some of the supply chain opportunities that will be available through the development of the Goosnargh City Deal residential site. The project will deliver a wide range of employment and skills outputs which have been set out in the project's Community Commitment Charter.
- 
- 6.8 The Skills and Employment Hub is currently working with Lovell Partnerships Ltd, who are developing the Altcar Lane site, to support the delivery of the Employment and Skills Plan for the site. The proposal outlines a construction programme of 36 months and with approval for 200 residential units.
- 6.9 The City Deal Skills and Employment Steering Group continues to meet regularly with the key aim of steering activities geared to maximising the impact of City Deal investment for the benefit of local residents and businesses.

7.0 Public and Private Sector Investment

- 7.1 Since April 2018 £130.5m of public and private sector investment has been invested in transport infrastructure which has resulted in the achievement of the infrastructure and the construction jobs referred to in table 4. In addition £58m Pension fund investment has been made to date, since the start of the Deal.



Table 7: Public and private sector investment – core outputs

Core outputs	18/19 Trajectory £m	18/19 YTD Actual £m	All Years Cumulative To Date £m
Public Sector Investment (to support Infrastructure programme)	40.881	24.891	110.850
Private Sector Investment (to support infrastructure programme)	12.801	3.023	19.652
Pension Fund Investment	-	-	58.000

7.2 Public Sector Investment includes contributions from Lancashire County Council capital funding, Local Growth Deal Funding and Homes England Grant / loan payments, as well as agreed contributions from Preston City Council and South Ribble Borough Council for New Homes Bonus raised from City Deal housing sites.

7.3 Private Sector Investment is predominantly contributions from developers on City Deal housing sites, either through S106 agreements or CIL payments. The 2018/19 actual is less than the original forecast amount due to the delivery of large housing sites slipping into future years causing the forecast investment from those sites also slipping; and the delay in the delivery of PWD causing the receipt of the funding tied to that delivery also being delayed, as well as delays to sites that would generate Homes England grant or loan.

8.0 Performance on key strategic infrastructure schemes

8.1 A full update on progress for all infrastructure schemes up to the end of quarter 4 (January-March 2019) is provided in appendix 4.

Key achievements in the last year include:

- **Preston Western Distributor** – CPO now confirmed by Secretary of State. Business Case now formally submitted to the independent assurer Atkins, to be considered by TFL and LEP Board in June, with DFT approval anticipated by the end of September. The project remains on programme to commence on site by November 2019.
- **A582 South Ribble Western Distributor** – Preparation of the Strategic Outline Business Case (SOBC) for submission to Transport for the North, is underway and carries the prospect of securing up to an additional £50m of funding towards the full A582 scheme through the Government's Major Road



CITY DEAL

Preston, South Ribble & Lancashire

Network funding. The SOBC will be submitted to TfN this summer to be incorporated into its regional evidence to DfT. Preparation of the planning application and compulsory purchase order for the widening scheme, and detailed design exercise continue at pace, targeting a potential start to these works by the end of 2021.

- **Penwortham Bypass** – Construction on programme to complete early in 2020.
- **Broughton corridor** – good progress made with regard to the village centre public realm upgrade works. Completion on programme for quarter 2 2019/20.
- **Lancashire Central** – Plans have now been announced for the future of the site which will include a mix of industrial, business and retail uses as well as residential development. The site is expected to bring forward around 3000 jobs. Development of the full site is expected to take 6-8 years with the ambition being to have the first occupier on site by 2021. Implications for the City Deal are currently being considered e.g. fewer jobs numbers, but these will be higher quality jobs.

9.0 Risk Analysis/Management

Attached to this report is the current programme level risk analysis (Appendix 5) which is supported and informed by lower level operational risk logs managed by project managers. The programme level risk analysis is updated 6 monthly in keeping with Government reporting requirements.

List of Background Papers

Paper	Date	Contact/Tel
-------	------	-------------

None

Reason for inclusion in Part II, if appropriate

N/A

APPENDIX 1

Year 5 performance dashboard 2018/19



CITY DEAL

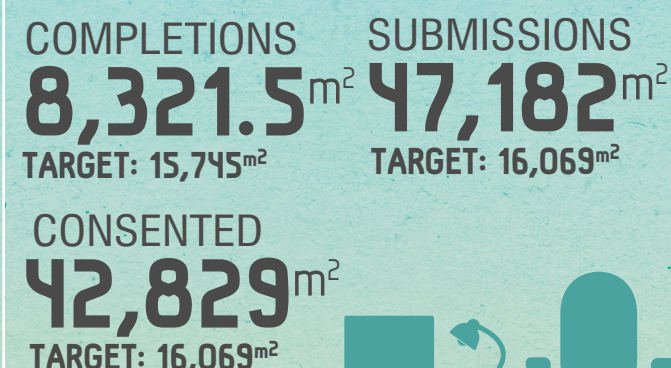
Preston, South Ribble & Lancashire

HOUSING



36 SITES CURRENTLY UNDER CONSTRUCTION

COMMERCIAL FLOOR SPACE



NOTABLE PROGRESS:

Eastway – Commencement of development on a number of sites (with a strong market demand for retail), plus a distribution warehouse and care home.
Bluebell Way – Outline planning application made for a car showroom, plus a key land acquisition by Barnfield/Henry Boot Developments to bring forward a large employment site in the short-medium term.
Preston East Expansion Area Land – discussions ongoing with Homes England to bring forward the site and undertake due diligence
Red Scar – Planning consent for a new energy plant.

UCLan – continued progress on the delivery of the Masterplan, with the expected completion of the Engineering Innovation Centre
Queen's Retail Park – construction underway of additional retail units
Park Hotel, East Cliff – planning application consented
Shankly Hotel – construction underway
Porsche car showroom, Preston – construction underway
Momentum, South Rings – preparations being made for final build out of units
Samlesbury Aerospace Enterprise Zone – start on-site made for BAE Systems' Advanced Manufacturing Facility

PUBLIC AND PRIVATE
SECTOR INVESTMENT

Combined total
£130.5m

INFRASTRUCTURE UPDATE

Preston Western Distributor – Public Inquiry into CPO took place in 2018 with decision notice confirmed by the Secretary of state. LCC formally agreed to support the commitment made by the City Deal Executive to fund the local contribution of the North West Preston Roads Programme subject to the full approval of the final business case by the LEP and DfT to release the Government funding.
South Ribble Western Distributor – A582 dualling – A strategic outline business case (SOBC) is being prepared for this scheme for submission to the Transport for the North for

inclusion in the schemes put forward for funding under Major Road Network proposals.
Penwortham Bypass – work is progressing well on the construction of the new road and establishment of the new school playing fields.
Broughton Corridor – Good progress made with regard to the village centre public realm upgrade works.
Fishergate Phase 3 – Planning permission received for the Western Apron public realm.

GENERAL ACTIVITY

Work on the city deal review has progressed throughout 2018/19. Final proposals expected in October 2019.

CITY
DEAL
SO FAR

Commercial floorspace
63,913.5m²

Houses
4,991

Jobs 14,870

JOBS

193

JOBS associated with commercial floorspace completions

321

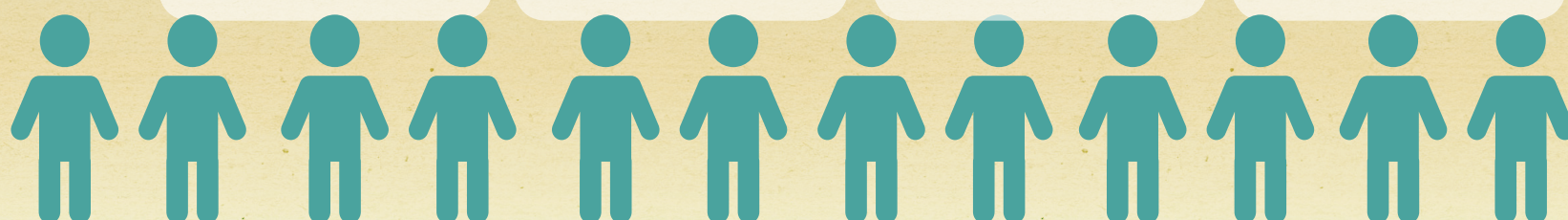
JOBS associated with infrastructure projects

1,129

JOBS associated with employment at existing commercial premises

67

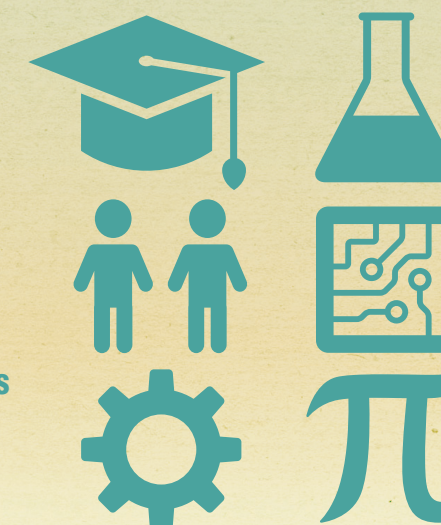
JOBS created through business support activities



SKILLS AND EMPLOYMENT

The City Deal 'Bridge the Gap' activity has gone from strength to strength.

Over the 2018/19 academic year the programme has been delivered to year 9 and year 10 pupils at a total of 17 schools across the City Deal area.



Zone: North West Preston – Housing sites:

Haydock Grange Hoyles Lane – Outline permission for 450 units granted in 2012. Development commenced on Phase 1 for 205 units in Year 2, 2015, had 24 completions within the year. The majority of Phase 1 is now complete apart from a parcel containing 11 units which is currently occupied by a small number of show homes and parking for potential buyers. Phase 2, for 245 units, is now under construction.

Maxy House Farm – Reserved matters permission approved for a total of 300 units. The site is being built out by two developers, following sale of part of the site from Wainhomes to Bellway Homes. A total number of 55 units have been completed within year across the whole site. Bellway Homes, who are currently building out the smaller parcel at Maxy House House Farm, have built 136 units to date. Therefore, their share of the development is now complete. The other parcel, which is currently being built out by Wainhomes, had a total of 30 units completed within the year and a total of 110 to date.

Barratt Homes Eastway – permission for 140 units on the site. A total number of 63 units have been completed within the year, which is considerably above the projection of 36 units provided by Hive. In total, 82 units have been completed across the site since commencement at the back end of 2017.

Employment sites:

- 1

●

Eastway – Commencement of development on a number of sites (with a strong market demand for retail), plus a distribution warehouse and care home
- 41

●

Cottam Hall – developer discussions ongoing with regards new potential development

ZONE: Penwortham and Lostock hall: Employment & Housing sites

Housing sites: Land to the north and south of the Cawsey Morris Homes are now on site. The bridge link to complete the section of the Cross Borough link road between the Cawsey and Carr Wood Way is under construction – expected to complete in autumn 2019.

Pickerings Farm (the Lanes) – Outline application expected in the near future further clarity expected following a meeting on 3rd July. Limited range of district centre type commercial uses expected

Employment sites:

- 26

●

Cop Lane, Penwortham – site marketing ongoing and enquiries currently being handled
- 27

●

Pickerings Farm – the masterplan doesn't include any commercial element

ZONE: Preston City Centre:

Housing sites: Winckley House and Cross Street - completions delayed on these sites - construction is now progressing on site.

Employment sites:

- 42

●

Shankly Hotel, city centre – construction underway
- 43

●

Park Hotel, East Cliff – planning application consented
- 12

●

UClan – continued progress on the delivery of the Masterplan, with the expected completion of the Engineering Innovation Centre in summer
- 44

●

Porsche car showroom, Docks area – construction underway
- 22

●

Queen's Retail Park – construction underway of additional retail units
- 17

●

Prince's Central Buildings – formal discussions with the health sector are to be scheduled to map out potential project scope and key milestones
- 18

●

Preston CBD – (Hill Street/Corporation Street) marketing ongoing for office scheme and market opportunities being explored
- 20

●

Preston Cinema – demolition of former market hall ongoing and programme being developed to deliver the scheme
- 15

●

College House, Winckley Square - there has been little developer activity to support occupation

Zone: Preston East: Employment & Housing Sites

- 5

●

Bluebell Way – Outline planning application made for a car showroom, plus a key land acquisition by Barnfield/Henry Boot Developments to bring forward a large employment site in the short-medium term
- 7

●

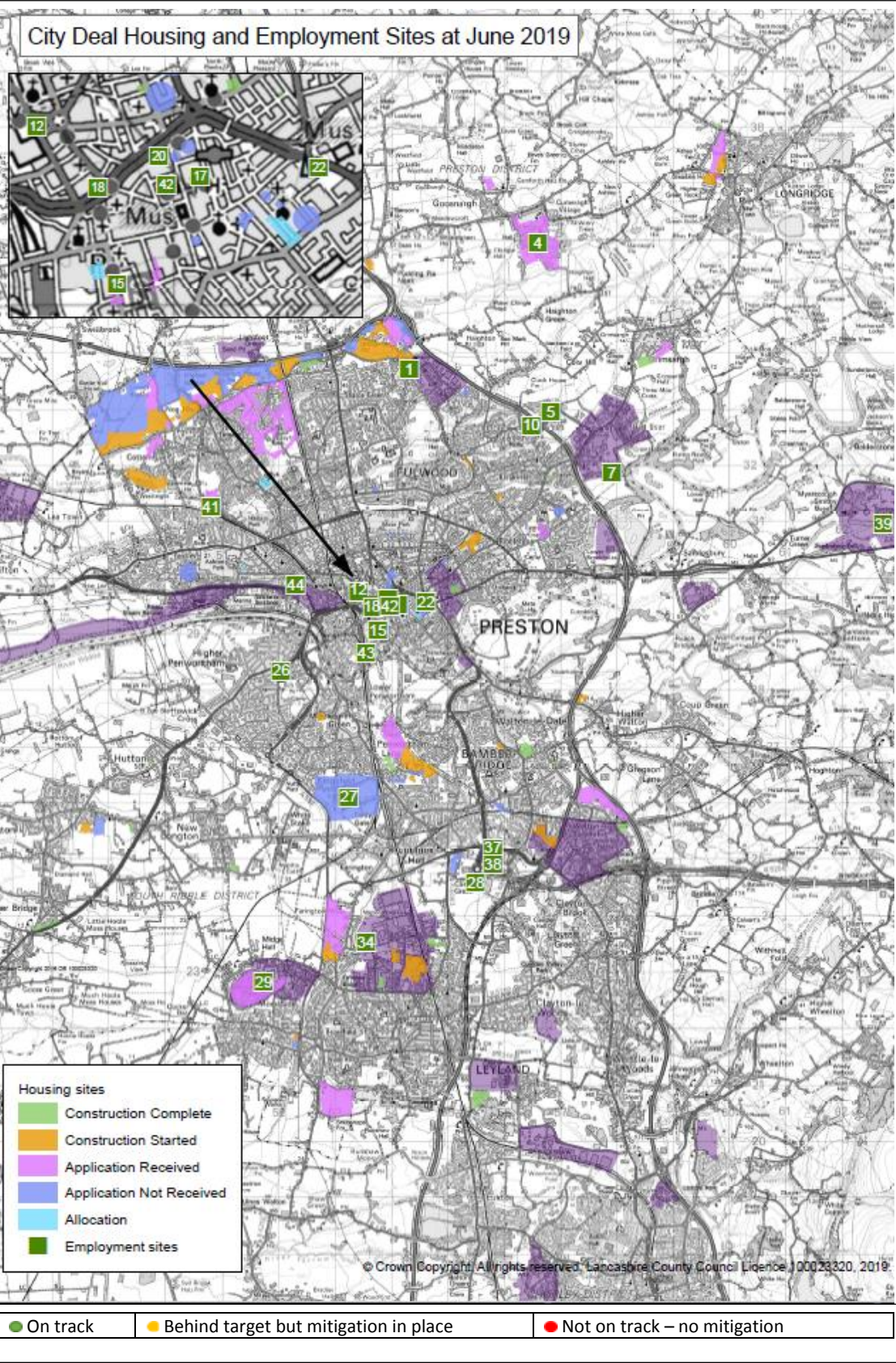
Red Scar – Planning consent for a new energy plant
- 10

●

Preston East Expansion Area Land – discussions ongoing with Homes England to bring forward the site and undertake due diligence prior to taking it to the market
- 4

●

Whittingham site – (housing) outline planning application submitted for 750 units. (Employment) With regard employment there is currently no commercial use in the masterplan – due to a lack of market demand care home



Zone: Bamber Bridge

Housing sites:

Brindle Road – After successfully winning their planning appeal to develop a portion of the site (193 units) Bellway are now actively building on site. A separate appeal by Persimmon was also successful and they now have planning permission for their development (261) units.

Zone: Leyland and Cuerden

Housing sites:

The Southern end of Croston Road Heatherleigh – In the southern part of the site construction has continued consistently with Miller Homes well advanced with their part of the site. In the last monitoring report it was reported that there had been difficulties with the middle section of the site to the immediate north and south of Bannister Lane which is an area of land made up of a consortium of landowners. There was a reluctance at that time on behalf of some members of the consortium to bring the site forward. An application was submitted by Kier Living for 175 units which covers the balance of the land up to Bannister Lane. This was approved by planning committee on 26 June 2019.

Northern part of Croston Road/Heatherleigh – This part of the site has Outline permission. In recent weeks Homes England have hosted events a series of events with the assistance of South Ribble to meet those House Builders who are potentially interested in developing out the site. It is likely that the successful developer will be able to be announced in the coming weeks. All of the roundabout works to the north of the site are complete and this will allow the construction of the spine road to serve the development to take place with each respective phase.

Altcar Lane – This site is split into two parcels. The parcel adjacent to Shaw Brook Road has had a Reserved Matters approval for 232 dwellings. The parcel adjacent to Altcar Lane has a current Reserved Matters application for 200 dwellings. Lovells have now commenced building out these 200 dwellings

Employment sites:

- 37

●

Momentum, South Rings (Phase 2) – preparations being made for final build out of units
- 39

●

Samlesbury Aerospace Enterprise Zone – start on-site made for BAE Systems' Advanced Manufacturing Facility
- 28

●

Lancashire Central, Cuerden – options review ongoing and M65 Terminus & Sliproad design underway
- 29

●

Moss Side Test Track – planning application being prepared for September. (employment and housing)
- 34

●

Farrington Hall Estate – site currently in the process of being disposed of
- 38

●

Amethyst Court, South Rings – site currently being marketed

PRESTON'S COLLEGE

Seddon



Meet the Buyer event: Seddon Construction

On the 3rd May Preston College hosted a Seddon 'Meet the Buyer' event to highlight some of the wide range of local supply chain opportunities for Lancashire based suppliers and contractors. The event was organised to coincide with the commencement of the Goosnargh City Deal residential development which will see the construction of over 90 new homes over a 3 year construction programme.

As outlined in the Goosnargh Community Commitment Charter, in addition to local supply chain opportunities the project will deliver a wide range of employment and skills and community benefits including creating new jobs, apprenticeships and training opportunities throughout the construction phase of the project.



LHS Pupils to part in a one-hour challenge before Easter – "Bridge the Gap". The box or resources which was presented by Phil Parle & Zac Wilkinson from Preston's College and Martin Hill from Lancashire Skills & Employment Hub, is aimed at encouraging student to find out more about STEM skills, undertake hands on challenges and explore local opportunities for future careers.

Our pupils had a great time! This is what they said:

Abigail Dymond said. "The activity was 1 hour long and suitable for groups of 20/30 students at a time. I built a bridge out of Lego. My favourite part was when we did a competition and it was all about team work."



Millie Forshaw continued. "When the bridge Lego construction people came in we talked about stereotypes and then had to build a bridge with Lego and it was fun. We build the bridge because we were trying to make it cheaper by using different materials."

bridge the gap

"We had to build a bridge that had to go from one table to another. It had to be 48cm long. We did true & false questions and got little medals and trophies if we did something right." Said Alessandro Villa Massaro.

Well done everyone, the constructions looked great!



CARDINAL NEWMAN COLLEGE



FUTURE ENGINEERS IN THE MAKING

This academic year, 14 Newman students who are interested in pursuing a career within engineering, have taken part in a 'FUTURE ENGINEERS' insight programme in partnership with UCLAN. Designed to give students the opportunity to explore and consider a variety of engineering disciplines, it includes electrical, Fire Safety, Motorsports, Chemical and Civil. By engaging with academics from UCLAN they have been able to gain more knowledge to help them make informed decisions about their future.

The programme also includes an employer engagement experience which this year involved a visit to Baxi's Preston site in Bamber Bridge. The students toured the site, gaining valuable insight into the workings of a large manufacturing plant.

The programme has been hugely successful and has allowed students to make more informed choices about their career options within the field of engineering.



uclan

uclan

The EIC: Delivering Social Value through Construction



In addition to providing state of the art facilities, the EIC has successfully secured a strong, reliable and measurable commitment to Social Value that covers a range of thematic areas including an 'Inclusive Workforce', 'Future Workforce', a 'Skilled and Productive Workforce' and 'Community Benefits'.

The key outcomes of the project have been analysed using the National Social Value framework Themes Outcomes and Measures. To date the EIC project has delivered a total of £5,864,644.00 of added social value during the construction phase of the project. Some of the key achievements include:

- 29% local labour utilisation on the construction phase of the project to date
- 82 Employment (FTE) opportunities for local residents
- 420 apprenticeships weeks
- A total of £3,493,249.95 was spent with local Lancashire based businesses, of which £2,296,644.95 was spent with local SME's

Lancashire County Council



A day in the life of a Highways Operative: Danyal Omar

I started in this role 2 and a half years ago and before that I did a two year construction and engineering apprenticeship. Before the apprenticeship I already knew a lot about construction and how to build things but the course helped me better my work and better myself, helping me to do my work to a more professional standard.

In my job there isn't really a typical day. Each day I go to my site manager who will allocate me a job. I can be working on many different jobs like drainage/laying pipes and building manholes, kerbing, tarmacking, stone levelling, machine driving, dumper driving, roller driving, laying path edgings, concreting, tarmac prepping, traffic management and locating cables and services.

Recently I have been working on a scheme building the new Penwortham Bypass and was involved in the installation of a mammal tunnel under the full width of the carriageway. This has been made to allow small mammals, and anything else that wants to, cross from one side to the other safely. I found it hilarious imagining all these small animals taking it in turns and keeping to the left as they cross. About a week later when it was completed somebody had put some small arrows which had directions to the tunnel written on them which made me laugh



(1) Preston Western Distributor (PWD) and East West Link Road (EWLR)

Lancashire County Council cabinet formally agreed to support the commitment made by the City Deal Executive to fund the local contribution of the North West Roads programme subject to the full approval of the final business case by the LEP and Dft to release the government funding – Submission of full business case for approval of release of funds by the LEP is on 26th June 2019 followed by the DFT within 8 weeks. The decision notice for the PWD CPO has now been confirmed by the Secretary of state.

(5) Cottam to Preston cycle improvements

The scheme is now progressing without any issues – a design has now been approved and delivery plan is being developed.

(3) Hutton/Higher Penwortham/City Centre corridor – works related to planning condition

Works associated with Penwortham bypass planning permission include traffic calming and measures to encourage road users onto the bypass. Concept designs for the Penwortham Triangle which is the starting point of the scheme were considered by IDSG in March. Consultation on the wider corridor works took place in October and a report of findings is being considered.

(2) Penwortham Bypass

Progress remains positive and on programme. Work has scaled down as the wait is underway for the establishment of the playing field. Preparatory work has commenced on the A59 at Howick Cross – this is principally laying of traffic signals, street lighting and statutory undertakers ducts.

(13) South Ribble Western Distributor - A582 Dualling

Work continues on the detailed design and planning application development. A project board has been established to oversee this scheme development. Design and submission of planning application anticipated in January 2020. SOBC being prepared for submission to Transport for the North for inclusion in the schemes put forward for funding under Major Road Network proposals.

Other pipeline projects

(16) Moss Side Test Track: The Planning Application is likely to be presented to a special Planning Committee in September 2019. There are however still outstanding issues that work is taking place to try and resolve, in relation to off-site highway works; viability; the proposed school site; inter-relationship between the housing and industrial parts of the site ; and also ecological provision.

(17) Pickering's Farm link Road: The consultation period on the draft Master Plan is now complete. Dates are not set but it is understood the Masterplan will be submitted in the near future followed by an Outline planning application. A meeting is taking place with the applicants and their agent on 3rd July to seek clarity with respect to the timings above.

(4) Grimsargh Green – The scheme to deliver a football pitch was programmed to complete in Q4 but further guidance received from the football Association recommends carrying out the work between April and September in order to maximise the benefits from the scheme.

(14) Eastway link road

This scheme started on site on 29th April with enabling works. The build programme is expected to complete by 26th November 2019 with the D'Urton lane section completed on 2nd September.

(7) Guild Wheel Bluebell Way this scheme continues to face funding uncertainty although progress has been made on sourcing additional funding via a Deed of Variation to a section 106 agreement although this has yet to be confirmed. If funding is secured the scheme will be able to proceed but delivery will slip by 6-9 months from the original predicted start of site in year 6, quarter 2.

(6) Broughton/Fulwood (corridor north of M55)

Main village centre public realm upgrade work, including Broughton crossroads commenced during January 2019. Project involves wider footways, narrower carriageways with extensive use of natural stone kerbs and paving material. Work is expected to complete by the end of July 2019.

(8) Fishergate Phase 3 (including Western apron)

Planning permission received for Western Apron public realm and contractors started on site on 18 March 2019. Construction is proposed in 3 phases and due to complete in December 2019. Programme dates agreed for the remaining fishergate 3 street works (mainly Tithebarn Street) and work will commence on site 7 May 2019 to finish by mid-November.

(9) New Hall Lane Local Centre The majority of this scheme is now complete, the final section of road re-surfacing is now programmed for October 2019.

(10) East Cliff Cycle Link and Bridge

A £200,000K allocation from city Deal towards the bridge works has been made. The cycle link design work will now be progressed and a delivery plan prepared.

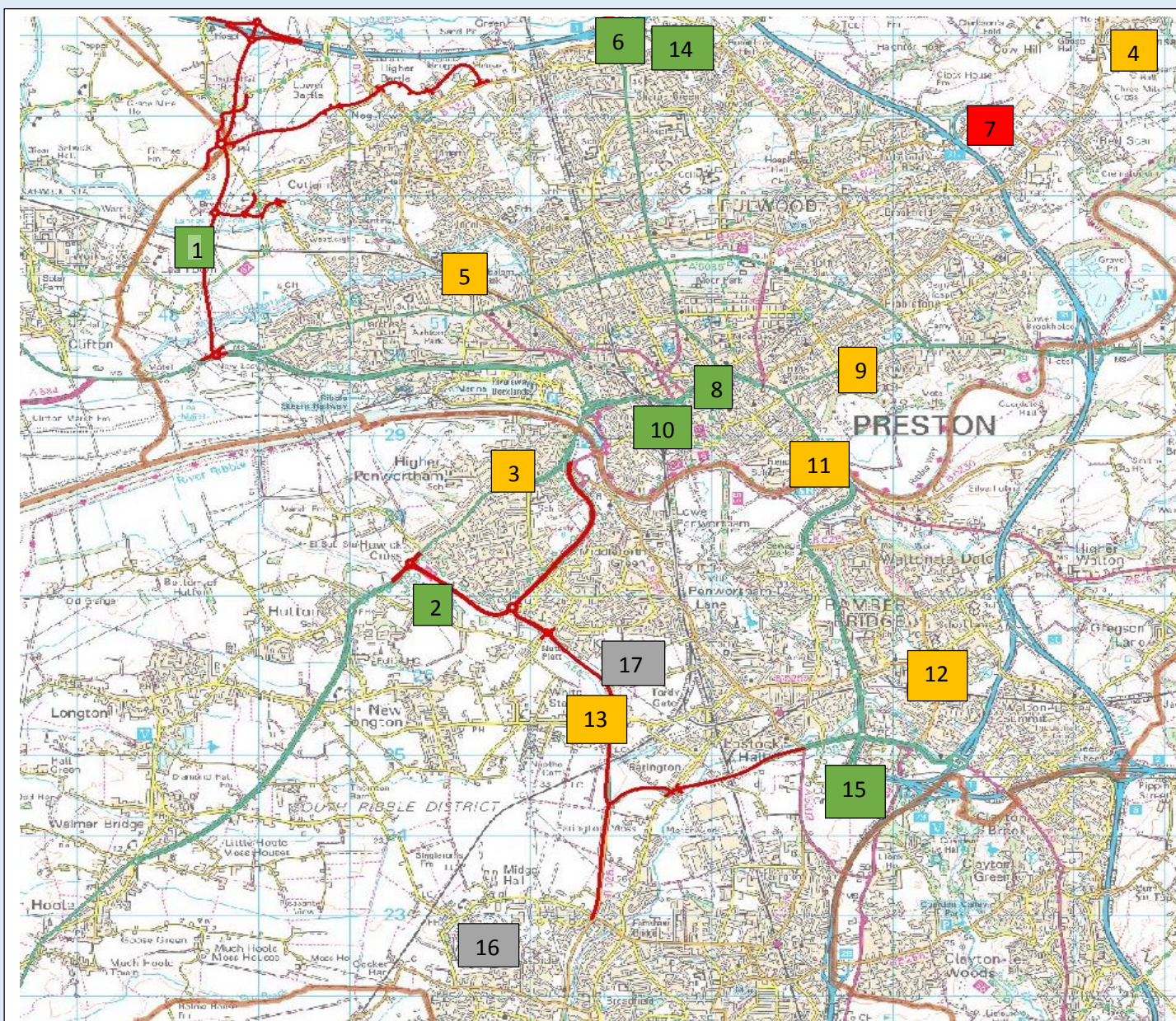
(11) Guild Wheel Watery Lane Good progress has been made on this scheme. Work commenced on site on 4th march 2019 and at the time of reporting at the end of March a substantial length of side channelling to the road and other drainage works had been undertaken. It is anticipated that substantial completion of the works will now be by the end of May 2019. Scheme currently reporting amber due to delay from original programme.

(12) Bamber Bridge – Town Centre Improvements The footway improvements are now complete – the final section of road re-surfacing is now programmed for October 2019.

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.



(15) Cuerden Strategic site Road infrastructure – Quarter 4 has focussed on securing the necessary LCC approvals to progress the project following the extensive options review process. Works next quarter will now focus on off-site highways design works around the M65 terminus and slip road.

CITY DEAL RISK LOG - APPENDIX 5							
NO	Risk Title	Risk Type	Risk/Issue details description/potential impact	Risk/issue	Status	Mitigation/Action Plan	Update/Comments
1	Cost Estimation Risk	Financial	Cost estimates set out in the City Deal (CD) may be inaccurate. The risk to city deal is that inaccurate scheme cost estimates will result in the budget allocations in the infrastructure delivery fund being unreliable, making it impossilbe to maintain a balanced financial model.	Risk	Open	Estimates of individual schemes and budget allocations in the BaDP are now subject to annual review At the outset of the development stage, an optimism bias factor of 44% has been included in the major road schemes, in line with DfT guidelines. This therefore reduces the risk of the cost estimates, and in turn cost outturns, being higher than original budget allocations.	Review by independent cost consultants is now being embedded into working practice on major road schemes. The industry standard/expectation for design costs as a percentage of overall scheme costs, is being used as a benchmark when pricing design work. A review of the budget allocations in the Business and Delivery Plan is underway in preparation for the updated Plan, to ensure that up to date (high level) scheme estimates are reflected in the financial model.
2	Cost Overun Risk	Financial	With regard to infrastructure schemes and public transport corridor schemes, once land acquisition commences/compulsory purchase is concluded, unanticipated factors affecting land and compensation costs lead to an increase against estimates, which could negatively impact upon the infrastructure delivery fund.	Risk	open	Partners will seek to be indemnified through relevant legal agreements against compensation claims.	Estimates are made and factored into scheme costs in relation to Part 1 land claims
3			Once construction commences, unanticipated abnormal factors and/or changes to design could lead to an increase against tendered prices. The impact of this on the City Deal, is that there would not be enough funding in the model to deliver the whole programme of works.	Risk	Open	This risk is managed through LCC’s robust capital cost control processes to ensure that risks are identified, costed and managed effectively, that contingencies are put in place for unknown factors, and thereafter projects and their associated costs are managed within approved budgets and tendered prices. Any under utilised resources will not be released until all identified cost pressures have been addressed.	Mitigation for unanticipated abnormal factors has been partly accommodated in the above review where new benchmarks will be used for pricing design work.
4	Quantity of Resource Risk	Financial, Legal, Political, Regulatory	The level of resources available from the different funding sources may be less than set out in the CD proposal. The risk to City Deal is that there would not be enough funding in the model to deliver the whole programme of works.	Risk		This risk is being managed by using prudent estimates of resources available, such as New Homes Bonus, CIL and Business Rates Retention. The financial values of HE land receipts are based on the HE own assessments. Private sector contributions will be collected through robust and legally binding arrangements.	Government policy changes to funding streams remains a residual risk and work is underway through the City Deal Review to analyse and mitigate. A review of CIL/s.106 contributions secured to date is underway, in or der to inform future financial forecasting. Other capital funding sources will be accessed where appropriate, including funding bids for highways schemes.
5			Lack of skill and/or capacity to deliver the project, internally amongst the four partners. The risk to City Deal is that it is poorly directed and delivered, risking time and cost overruns.	Risk	open	Expert resources are prioritised to the project by each partner.	The independent Review of City Deal is also considering the level of resources, skills and expertise required to deliver the Programme going forward. The Review of Governance Structures also clarifies roles and responsibilities to being greater clarity and accountability to decision making. A Senior Responsible Owner for the City Deal is being identified.
6			Neighbourhood Planning regulations in relation to CIL destabilise the project.	Risk	open	The financial model refelects the financial impact of the Neighbourhood Planning Regulations.	Closer working with Parish and Town council would be beneficial to identify projects of mutual interest and joint funding possibilites. This is not yet happening in any systematic way due to capacity/resources.

NO	Risk Title	Risk Type	Risk/Issue details description/potential impact	Risk/issue	Status	Mitigation/Action Plan	Update/Comments
7	Phasing Shifts	Financial	Developments may not come forward in line with the timescales set out in the CD proposal. Risk is financial, if development does not come forward as predicted then income may be affected.	Risk	open	<p>This risk has been mitigated through phasing of income in line with the statutory position of timescales when income streams, particularly New Homes Bonus and Business Rates, are payable. Legal agreements to capture private sector contributions will also ensure that private sector contributions are phased in line with the CD Infrastructure Delivery Programme.</p> <p>In addition, in recognition of the fact that the cash flow profile for the Infrastructure Delivery Programme is not even, Lancashire County Council will financially stand behind the CD to allow both the baseline cash-flow and some degree of slippage to be effectively managed.</p> <p>Close monitoring of both incoming resources and expenditure allows sufficient advance warning of issues for further mitigating action, such as adjustments to programme phasing, to be undertaken without destabilising the overall programme.</p> <p>Assumptions made in the original delivery model are also continuously tested to give an updated forecast of likely development timescales</p>	<p>An independent review of housing delivery has been carried out early in the CD programme (2016), this is subject to annual review by local planning authorities.</p> <p>A further independent review of housing development sites has been undertaken, providing an updated forecast of housing delivery, enabling the financial model to be re-profiled in line with income projections.</p> <p>The Project Team maintains oversight of housing delivery and issues emerging that might impact on delivery rates and the financial model.</p> <p>Project Team also considers the implementation of programme and site specific interventions to expedite delivery, as referred to in the above review.</p>
8			Licences and consents from third parties aren't secured.	Risk	open	<p>Effective forward planning and early engagement with statutory bodies</p> <p>Work is underway to look at opportunities for streamlining the planning process to ensure CD applications can be dealt with efficiently to make sure that delivery and output timescales are met.</p>	<p>Project managers engage with statutory bodies in the early design stages of the projects to minimise this risk.</p> <p>This mitigation has not been actioned other than through a recommendation for the inclusion of a standardised statement to be incorporated in the planning officers report on applications for City Deal sites.</p> <p>Project Team will be tasked with looking at the potential for streamlining processes in the next 12 months.</p>
9	Delay in Road Planning	Political, Regulatory, Technical	Road schemes may be subject to both local and national planning processes thereby increasing delivery timescales. Unforeseen risks may impact on delivery timescales therefore increasing costs to city deal.	Risk	Open	This risk is likely to be wholly mitigated through proposed amendments to the Planning Act which will remove the need for local major schemes, which connect into the Strategic Road Network, to use the Development Control Order Process.	Based on the latest advice, it is unlikely that the major infrastructure schemes in the City Deal programme will go through the Development Control Order process. The focus is therefore on ensuring that the planning application and CPO orders are timely and robust.
10			Road schemes may be delayed through local planning processes, thereby delaying overall delivery and potentially impacting on the build out of local development sites.	risk	Open	The road schemes are set out in the Central Lancashire Highways and Transport Masterplan, adopted in March 2013, and in Local Plan Reviews and therefore have already been subject to extensive consultation and are material to determining planning applications.	
11			Road schemes may be delayed due to inability to assemble land or may be delayed by Highway Act procedures. The risk to City Deal is that such delays could slow down overall delivery and potentially impact on the build out of local development sites.	risk	Open	This will be mitigated through early commencement of the compulsory purchase order processes and land acquisitions.	
12	Planning Approval Risks	Regulatory, Political	Changes to or lack of Planning Framework to support City Deal objectives. City deal may fail to achieve its agreed objectives (housing and employment) due to changes in govt policy affecting growth.	risk	Open	The City Deal area is supported by a Central Lancashire Core Strategy (2010-2026) that provides an over-arching development and planning framework, with a Local Plan for each of Preston and South Ribble offering more detailed policy on sites. The Community Infrastructure levy is now in place.	<p>The challenge to a District's five year housing land supply position could risk non City Deal housing sites being progressed over City Deal allocated housing sites.</p> <p>The Central Lancashire Local Plan Review which is underway will roll forward the Core Strategy and will plan for part of the City Deal period.</p>
13			The risk of planning appeals	risk	Open	An up to date Local Plan coverage provides a robust basis to defend challenges and appeals	<p>North West Preston development sites are covered by a Masterplan approved in February 2014, and introduced as a supplementary planning document in 2017, which provides a comprehensive framework to guide the development process. Under Local Plan policy, site masterplans are to be prepared for a number of large sites.</p> <p>Consultation on the Altcar Lane masterplan has been completed, two outline applications were subsequently approved in 2017 for a total of 600 dwellings. Reserved Matters on part of the site for 232 dwellings and 200 dwellings were approved in 2018.</p> <p>A planning application for Moss Side Test Track will be considered at committee in September 2019.</p>
14			Sites don't get developed because Masterplans are not in place.	risk	Open	<p>Early engagement between local planning authority and applicant/landowner/developer to initiate site masterplanning.</p> <p>Early involvement of infrastructure and service providers into master plan preparation.</p> <p>Incorporation of site masterplans into supplementary planning documents where applicable/necessary.</p>	
15			Planning permissions not being consented and/or progressed through the planning system sufficiently quickly, affecting City Deal income and outputs.	risk	Open	Planning consents are already in place for over 3/4 of the target number of housing units. Site specific steering groups have been established for the major sites in order to oversee and coordinate planning and development activity.	
16			Lack of Planning officer Capacity. The risk to city deal is the slowing down of processing planning applications and therefore slowing down delivery.	risk	Open	£200k has been granted from Homes England to provide additional capacity. Some of that funding is being used to appoint additional planning capacity in the districts which will assist in finding solutions to blockages to ensure sites come forward swiftly.	

NO	Risk Title	Risk Type	Risk/Issue details description/potential impact	Risk/issue	Status	Mitigation/Action Plan	Update/Comments
17			The risk of failure to provide sufficient and appropriate infrastructure. The risk to City Deal is that a lack of appropriate local infrastructure, could make the housing developments less attractvie to the market, in turn slowing down housebuilding.	risk	Open	A North West Preston Infrastructure Group has been established with the major house builders and land-owners to co-ordinate development and resolve land equalization matters	
18	Homes England Site Delivery		Homes England sites are not delivered in line with the Homes England Business & Disposal Plan, which could affect outputs and income to the City Deal.	risk	Open	<p>Homes England has undertaken a detailed in-house resource capacity review and have streamlined their site disposal processes. Homes England are continuing to work with agents to ensure the dynamics of the local housing market are factored into disposal activity.</p> <p>Direct commissioning will also be considered in order to maximise delivery on the sites</p> <p>Homes England sites are being de-risked via a package of measures eg. title due diligence, securing planning, full engagement with agents and legal team in all land transactions. Regular soft market testing is carried out to understand market trends ie. the current position and future forecasts, and respond accordingly.</p>	<p>City Deal Investor and Developer Forums held to ensure house developers and other investors are aware of City Deal site disposal opportunities.</p> <p>A programme of investor Awareness activity is programmed as part of the City Deal Marketing & Communications Strategy.</p>
19	Housing and Commercial Construction and Skills Capacity		Construction skills are not sufficient to match the requirements of individual/overall scheme targets, thereby slowing down rates of delivery.	risk	Open	A LEP Skills Hub has been established in order to understand skills and employment priorities, and introduce interventions to support industry to recruit and retain a skilled and productive workforce. The City Deal Skills and Employment Group will take City Deal-specific elements forward	<p>A Skills Action Plan has been produced that details 9 areas of activity to support the broad skills aims. Metrics have been developed to establish targets and monitor programme effectiveness.</p> <p>A Central Lancashire Construction Skills Hub has also been established with one of its aims to build capacity within the local construction sector, including technical development.</p> <p>In accordance with the Central Lancashire SPD, all new developments which exceed the threshold are required to submit an Employment and Skills Plan. These are to be reviewed at the City Deal Skills and Employment Steering Group to identify skills shortage areas and training priorities.</p> <p>Ongoing funding opportunities are being explored with CITB to further develop and enhance the current offer, including the submission for the recent Digital Skills Commission (02/07/19) and the Onsite Experience Commission due for launch on the 22nd July 2019.</p>
20	Commercial Delivery Risk	Political, Financial	Private sector may not come forward with investment proposals for housing and employment sites.	risk	Open	<p>These risks have been mitigated, in part, through the proven private sector confidence and investment appetite in the CD area.</p> <p>Preston and South Ribble Councils will work towards the adoption of their respective LDF's to secure the allocation of the City Deal sites. This will provide a strong policy position against which to resist unallocated sites coming forward.</p>	<p>The Council's are currently undertaking a Local Plan Review which will identify development land over the longer term and present potential opportunities for City Deal.</p> <p>Developer interest remains high, with high delivery rates in parts of the City Deal area. The risk of saturation is a concern and the Project Team is monitoring the phasing of delivery going forward to mitigate this risk.</p>
21			Landowners may not sell due to market viability issues.	risk	Open	as above	<p>A number of sites outside of the agreed list of sites have and continue to come forward. Some of those have been captured towards the additional housing requirement set out in the Deal, but the partnership is currently looking at the financial impact of sites that are not being captured in this way.</p> <p>There is ongoing agent feedback, via project updates, to understand where market failure exists. This is most evident for commercial sites in some retail/leisure markets where viability issues remain. The market is responding by altering land use to reflect market demand ie including additional residential elements on smaller mixed-use sites, whilst the public sector is able in some cases to support sites in securing/developing business cases for anchor tenants.</p> <p>There are continuing signs of market recovery in that there is ongoing speculative build at Red Scar and South Rings, whilst</p>
22			Sites outside the agreed list of City Deal development sites come forward and undermine the City Deal Programme.	risk	Open	as above	
23			Planning support	risk	Open	Enterprise Zone is covered by a Local Development Order, and a number of Prior Notice for Developments have been completed to allow construction on the ASK Training facility and Defence Logistics facility. Cuerden employment site has an approved Masterplan and planning consent, and SRBC's Site Allocations Plan was also approved in July 2015. Other strategic sites are developing masterplans including Pickerings Farm and Moss Side Test Track, in addition to the one already secured at NW Preston. Stoneygate Masterplan is also being prepared to support development and delivery in the city centre.	
24			Low commercial values	risk	Open	As speculative build remains relatively low, stock continues to be reduced which is supportive of the recovery of rental values with an anticipated increase in demand. A City Deal Marketing & Communications Strategy, co-ordinated with LEP-wide strategic marketing activity, is supporting the increase in investor, developer and occupier demand, whilst market adjustment is occurring where some retail plots on smaller mixed-use sites are being considered for housing. Consultant support is also being provided to aid landlord negotiations and moderate site aspirations in order to encourage quicker delivery.	

NO	Risk Title	Risk Type	Risk/Issue details description/potential impact	Risk/issue	Status	Mitigation/Action Plan	Update/Comments
25			Supply phasing	risk	Open	Partner working groups, partnerships and alliances have been formed to share market intelligence and support the phasing of development activity to help co-ordinate sustainable development, particularly on the major employment sites. An outline development study has been produced with commercial land owners at Preston North East with the purpose of understanding constraints, aligning developer interests and identifying potential land uses to support incremental development An understanding of the hierarchy of development sites exists with public sector land holding to help co-ordinate the handling of enquiries and control the supply of land on the market.	other sites are coming forward ahead of anticipated start date, and there are some notable city centre leisure developments, plus other retail activity across the City Deal area. Demand for employment land remains strong and highest for logistics, freehold sites and smaller industrial units, with enquiries strong for large footprint units at strategically located sites, plus the energy-related sector businesses.
26			Investor awareness	risk	Open	A City Deal Communications Strategy is being implemented to raise the profile of the City Deal area, and its impact on the Lancashire economy, on a local, regional and national level.	Progress is being made across a number of sites to make land available at Preston East, Lancashire Central (Cuerden), Farington Hall Estate and Moss Side Test Track, and which will be required
27	Commercial Delivery Risk (Developers)		DELIVERY RISKS IDENTIFIED BY HOUSEBUILDERS Developers can no longer benefit from pre-CIL permissions so all developments are liable to CIL. Site specific issues on key strategic sites Extensive range of sites available in the wider Central Lancashire market area which is allowing developers to be selective in the phasing of their developments Developers desire to regulate the flow of new housing so as not to saturate the market Uncertainty over the Government CIL review, housing white paper and delivery of Affordable Housing On-going uncertainty as to the economic effect of Brexit. Availability of materials and significant skills/labour shortages In some cases sites already under construction are reaching the less marketable areas of the site and therefore completions are slower	risk	Open	Feedback from housebuilders across the City deal area has identified a variety of potential delivery risks. Ongoing engagement with Developers is a priority both through the planning process and as part of the wider City Deal Strategic ambition via developer forums. Regular reviews of housing delivery will help to highlight issues as well as keeping abreast of changes in national policy and local housing market influences.	An independent review of housing development sites was undertaken in 2018/19, which as well as identifying current risks and opportunities, provided an updated forecast of housing delivery and enabled the financial model to be re-profiled in line with income projections.
28	Consultation and Marketing Risk	(Reputational, Political)	The project is not communicated adequately to all stakeholders. The risk that the potential of City Deal is not marketed sufficiently to attract people to live and work in the area.	risk	Open	Early communication and establishment of working forums with key stakeholder groups, supported by a robust marketing and communications plan put in place for each project.	A Comms Strategy will continue to be delivered and will respond to the market demand/market failure, business Plan priorities and sites requiring strategic support as identified in the current City Deal review. The Comms Strategy should also link to the broader Lancashire proposition marketing activity being delivered by the LEP/Marketing Lancashire.
29			The reputational risk to all partner authorities if the Deal fails to deliver the intentions and aspirations set out in the Agreement.	risk	Open	Robust partnership working in place supported by strong governance arrangements and an effective marketing and communications plan. A strong focus is on promoting central Lancashire regionally and nationally, to attract inward investment and appeal to a business audience	The current marketing and communications strategy will be reviewed in 2019/20 to ensure that it aligns with the LEP's wider investment proposition and marketing strategy. City Deal Employment and Skills co-ordinator post, has now been appointed to and is responsible for driving forward the employment and skills plans.
30	Social Value Risk	Reputational, Political	Social Value may not be realized.	risk	Open	The implementation of Employment & Skills Plans in line with the planning, economic and social value priorities will help to reduce this risk	
31	New Homes Bonus, CIL, NNDR Policy Change	Political, Financial	Government may change its policy regarding the New Homes Bonus/CIL/NNDR thereby reducing the resources available to deliver the CD Delivery Infrastructure Programme.	risk	Open	The City Deal agreement contains a provision that allows the parties to review the Deal with Government in the event of national policy changes that have a direct financial impact on the Deal	A piece of work has been done to identify the impact of proposed changes in national policy on the City Deal. A City Deal Review is underway which will identify options for mitigating the impact which may include Government, the LEP and CD local authorities. Potential impact of Starter Homes and Direct Commissioning also being factored into negotiations with Government as part of the Review

NO	Risk Title	Risk Type	Risk/Issue details description/potential impact	Risk/issue	Status	Mitigation/Action Plan	Update/Comments
32	Political Administration Change	Political	Local political administration changes may impact upon the CD proposals.	risk	Open	This risk has been mitigated by the respective Cabinets for each of the 3 CD local authorities endorsing the CD. City Deal governance arrangements provide the mechanism for managing this.	Senior personnel changes have happened in the last two years and work is underway to bring new senior leaders and CEO's up to date through the City Deal Review work.
33			Unable to secure partner agreement and co-operation throughout the life of the CD programme	risk	Open	as above	

Agenda Item 11

Document is Restricted

Document is Restricted

Document is Restricted

Agenda Item 13

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted

Agenda Item 14

Document is Restricted

Document is Restricted

Document is Restricted

Agenda Item 15

Document is Restricted

Document is Restricted

Document is Restricted

