



**Preston, South Ribble and Lancashire City Deal Stewardship Board and Executive - Combined Meeting**

**Wednesday, 29th November, 2017 in Committee Room 'C' - The Duke of Lancaster Room, County Hall, Preston, at 1.00 pm**

**Agenda**

**1. City Transport Plan Workshop**

*From 1pm until 2pm there will be an informal workshop, prior to the commencement of the formal Combined City Deal meeting, to discuss the City Transport Plan.*

**Part I (Items Publicly available)**

**2. Welcome and Apologies for Absence**

**3. Minutes of the City Deal Executive meeting held on 18th September 2017 (Pages 1 - 8)**

**4. Minutes of the City Deal Stewardship Board meeting held on 18th September 2017 (Pages 9 - 16)**

**5. Matters Arising**

**6. Declaration of Interests**

**Stewardship Board Items (Chaired by Karl Tupling)**

**7. HCA Quarterly Monitoring Progress Update - Q2 2017/18 (Pages 17 - 28)**

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

**8. City Deal Governance Report - New LEP Nominee (Pages 29 - 32)**

**9. Communications and Marketing**

*Presentation by Ginette Unsworth, Head of Service, Communications, Lancashire County Council*

10. **Business and Delivery plan – Six Monthly Monitoring Report – 2017/18 and Implementation Update** (Pages 33 - 60)
11. **City Deal Quarter 2 Finance Report** (Pages 61 - 68)
12. **Any Other Business**
13. **Date of Next Meeting**  
The next meeting of the Combined City Deal Executive and Stewardship Board will be held on Monday 19<sup>th</sup> February 2018, at 2pm in Committee Room 'D' - The Henry Bolingbroke Room, County Hall, Preston.

## **Part II (Private and Confidential)**

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

14. **Cardinal Newman College - Expansion** (Pages 69 - 98)
15. **City Deal Review - Terms of Reference** (Pages 99 - 106)
16. **Preston Western Distributor Progress to Outline Business Case** (Pages 107 - 114)
17. **City Deal - Joint Working**  
*Verbal Update*



## CITY DEAL

Preston, South Ribble & Lancashire

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

**Minutes of the Meeting held on Monday, 18th September, 2017 at 10.00 am at the Committee Room 'C' - The Duke of Lancaster Room, County Hall, Preston**

#### **Present**

Jim Carter (Chairman)

County Councillor Geoff Driver CBE      Councillor Peter Rankin  
Councillor Peter Mullineaux

#### **In Attendance**

Heather McManus, Chief Executive, South Ribble Borough Council  
Lorraine Norris, Chief Executive, Preston City Council  
Jo Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council  
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council  
Sarah Parry, City Deal Programme Manager, Lancashire County Council  
Sue Procter, Director of Programmes and Project Management, Lancashire County Council  
Stuart Sage, Homes and Community Agency  
Karl Tupling, General Manager - Midlands and North West, Homes and Community Agency  
Ginette Unsworth, Head of Communications, Lancashire County Council  
Mark Vaughan, Homes and Community Agency

#### **Observers**

County Councillor Michael Green, Lancashire County Council  
Councillor Peter Moss, Preston City Council  
Councillor Phil Smith, South Ribble Borough Council

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

The Chairman, Jim Carter, welcomed all to the meeting. Apologies for absence were presented from Malcolm McVicar, Jo Turton and Eddie Sutton.

It was noted that due to the absence of the Lancashire County Council Chief Executive (or their nominee) that the Stewardship Board was inquorate, however as the Stewardship Board did not have any formal decisions to take it was agreed that the Stewardship Board could continue to meet in an inquorate capacity.

County Councillor Michael Green (Lancashire County Council), Councillor Peter Moss (Preston City Council) and Councillor Phil Smith (South Ribble Borough Council) were welcomed to the meeting, attending as Observers. The Executive

and Stewardship Board agreed they could remain for the full meeting subject to observing the protocols of the Part II Private and Confidential section of the meeting.

**2. Minutes of the City Deal Executive meeting held on 20th June 2017**

**Resolved:** That the minutes of the City Deal Executive meeting held on 20<sup>th</sup> June 2017 be approved as an accurate record.

**3. Minutes of the City Deal Stewardship Board meeting held on 20th June 2017**

**Resolved:** That subject to a correction to the title of County Councillor Michael Green, that the minutes of the City Deal Stewardship Board meeting held on 20<sup>th</sup> June 2017 be approved as an accurate record.

**4. Matters Arising**

None

**5. Declaration of Interests**

Councillor Peter Moss declared that he is a resident of Broughton. It was agreed that as the Broughton item was with regard to approving the procurement mechanism for the project, and not approval to the project overall which had previously been done, that Councillor Moss could remain for this item but not take part in the discussion.

**6. City Transport Plan - Presentation by Mott MacDonald**

Tom Roberts, Mott MacDonald, gave a presentation to the Executive and Stewardship Board regarding Preston City Centre Transport Plan, which Mott MacDonald had been commissioned to undertake.

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

Of the findings so far, the top 5 issues raised through engagement with Stakeholders were – the structure of the city, mixed messages about usage of the city, a lack of strong alternatives to car use and car parking / parkway concerns.

It was noted that most areas around the City Centre used car travel as the main means of transport with most bus use specific to the Ribbleton area. Walking is primarily the main travel method within the immediate City Centre area.

It was reported that the top opportunities for the City Centre were to build on the city status, utilising the discussed corridors and building Preston as a "Gateway".

The vision and objectives of the Plan include creating great streets and spaces, rebalancing accessibility, creating a healthier, greener, more inclusive city and growing a sustainable economy.

It was further reported that the next steps are to develop schemes and packaging, continue with stakeholder engagement and to undertake an initial assessment.

It was agreed that City Deal Members could email comments and feedback to Mott MacDonald outside of the meeting and that the presentation would be circulated to all City Deal Members for information.

**Resolved:** The City Deal Executive and Stewardship Board noted the presentation and agreed that City Deal Members consider the presentation and Plan outside of the meeting with any comments emailed to Mott MacDonald.

## **7. Preston, South Ribble and Lancashire City Deal: HCA Business and Disposal Plan (2017-20)**

Karl Tupling, Stuart Sage and Mark Vaughan (all Homes and Communities Agency) presented the report (circulated) which provided a summary to City Deal Members of the 2017-20 HCA Business and Disposal Plan.

It was reported that excellent progress had been made by the HCA during year 3, April 2016 – March 2017. Four of the 11 HCA City Deal sites (Cottam Hall (Phases 1 and 2), Whittingham Hospital (Phase 1), Croston Road South and Land at Eastway (residential)) have legal agreements in place with developer and are under construction.

One site (Brindle Road) completed in April 2016 and part of another site (Preston East) was disposed of in December 2016.

Since the end of the 2016/17 financial year HCA have also exchanged contracts with an occupier who will develop the Eastway commercial site.

At a project level the greatest risk around delivery of HCA sites sits with Pickerings Farm and Whittingham Hospital. Pickerings Farm is a large site complicated by the disparate ownership pattern, the presence of the west coast mainline to the eastern boundary and the scale of infrastructure that is required across the site. HCA are working closely with Taylor Wimpey to ensure both organisations commercial and corporate objectives can be achieved in a manner that delivers the site at the earliest opportunity.

The first phase of Whittingham Hospital is under development, however the marketing of the further development parcels has proved unsuccessful and highlighted the shortcomings in the appeal and deliverability of the site. In order

to improve this situation, HCA are working towards a revised planning application that will reposition and potentially increase the quantum of residential to improve the viability and marketability of the site. HCA will work closely with City Deal partners to ensure the financial and delivery impacts of these changes are modelled and re-forecast.

City Deal Members noted the individual milestones as set out in the Business and Disposal Plan.

**Resolved:** The City Deal Executive and Stewardship Board:

- (i) Noted the progress towards the successful delivery of the 11 HCA City Deal sites during 2016/17.
- (ii) Approved the HCA's current and future investment plan into the City Deal; and
- (iii) Approved the updated Business and Disposal Plan (BDP) to take the site milestones through to March 2020.

## **8. HCA Quarterly Monitoring Progress Update – Q1 2017/18**

Karl Tupling, Stuart Sage and Mark Vaughan presented the report (circulated) which provided an update on the progress made by the HCA on the delivery of the City Deal housing sites from 1<sup>st</sup> April 17 to 30<sup>th</sup> June 17. The report focused on the key delivery milestones, finances invested, outputs and draws out key risks and emerging issues.

With regard to the 11 HCA sites detailed in the report it was reported that:

- Cottam Hall Phase 1 (Site K) – Barratts are on site with 68 of 104 units completed.
- Cottam Hall Phase 2 – Story Homes are on site with 28 of 283 units completed.
- Cottam Hall Phase 3 – A deal has been done with Morris Homes – not on site yet. An RM application has been submitted.
- Cottam Brickworks – Planning permission is in place.
- Land at Eastway (Residential) – Story Homes are on site with 16 of 300 units completed.
- Land at Eastway (Commercial) – A Deal has been done with HBS Healthcare Ltd – not yet on site.
- Whittingham – Taylor Wimpey are on site (Phase 1 only) – 56 of 150 units completed.
- Preston East EA – Site not yet marketed.
- Preston East Sector D – A deal has been done with Inchcape Estates – not yet on site.
- Pickerings Farm – Site not yet marketed.

- Altcar Lane – Site currently on the market.
- Croston Road North – Site not yet marketed.
- Croston Road South - Miller on site with 31 of 175 units completed.
- Brindle Road – All 46 units have been completed.
- Walton Park Link – Planning permission is in place for Morris and Bovis sites.

Overall positive progress is being made across the portfolio. Housing completions have accelerated with additional sites commencing over the last 12 months. The HCA are on track to pay the £37.5m grant by 2022/23.

**Resolved:** The City Deal Executive and Stewardship Board noted the contents of the report and the progress made on each scheme.

## 9. Implementation Update - Quarter 1 - April - June 2017

Sarah Parry, Programme Manager – City Deal, and Jo Ainsworth, Finance Advisor (Both Lancashire County Council) presented a report (circulated) which provided a progress update on delivering the infrastructure schemes during Quarter 1: April – June 2016 and set out the latest position going forward.

It was explained that the report was presented in three parts:

- (i) Quarter 1 Project Monitoring Report – Dashboard and detailed analysis attached.
- (ii) Update on Implementation Issues.
- (iii) Quarter 1 – Finance Monitoring Report.

It was highlighted that Broughton Bypass was now on course to complete in Quarter 3 ahead of forecast completion in Quarter 4. Penworth Bypass had reached planning application stage with the application submitted. A new Ribble Crossing Feasibility Study will complete in Quarter 2 rather than Quarter 1 due to technical details which require more analysis.

Community Infrastructure schemes remain largely on track and as scheduled. It was noted that separate reports were provided on the agenda in relation to the Preston Western Distributor, East / West Link Road and Fishergate Phase 3 schemes.

With regard to finance, it was noted that finances were as expected for the quarter.

**Resolved:** The City Deal Executive and Stewardship Board noted the Quarter 1 Implementation Update for the period April – June 2017.

## 10. Infrastructure Delivery - Fishergate Central Gateway (Phases 1, 2 & 3) - Re-profile of Funding and Project Update

Sue Procter, Director – Programmes and Project Management, Lancashire County Council presented a report (circulated) regarding Infrastructure Delivery of the Fishergate Central Gateway (Phases 1,2 and 3) including a suggested re-profile of funding.

It was noted that whilst Phase 2 had exceeded the profiled budget of £3.1m by £1.15m due to a number of factors set out in the report. Informed by the outturn costs for Phases 1 and 2, and a robust re-appraisal of the design and construction costs, it is now estimated that the final cost of the combined projects is £10.736m, creating a funding gap of £44k. It was proposed that this funding gap be met from the unallocated element of the Transport Corridor line within the City Deal model.

### **Resolved:**

- (i) The City Deal Executive and Stewardship Board noted the report.
- (ii) The City Deal Executive approved the transfer of £44,000 from the unallocated element of the Transport Corridor line into the Fishergate Central Gateway project.

## 11. Any Other Business

Jim Carter circulated a City Deal Summary Position as at September 2017 document to all members of the City Deal Executive and Stewardship Board under Any Other Business.

It was explained that this document provided a summary of the position from signing of the deal in September 2013, delivery milestones met since and targets set for the current year and beyond.

It was recommended that the programmed review scheduled for 2018 / 19 be brought forward and be undertaken as soon as possible by officers in 2017, with a view to reporting the review to City Deal Members at either the November 2017 meeting, or, a special meeting to be arranged.

**Resolved:** The City Deal Executive and Stewardship Board noted the City Deal Summary Position as at September 2017 document and agreed that the review programmed for 2018 / 19 be brought forward and reported to either the November 2017 meeting, or, a special meeting to be arranged.



## 12. Date of Next Meeting

It was noted that the next scheduled meeting of the Combined City Deal Executive and Stewardship Board would be held on Wednesday 29<sup>th</sup> November 2017, 2pm, in Committee Room 'C' – The Duke of Lancaster Room, County Hall, Preston.

### Part II

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

## 13. Preston Western Distributor (including Cottam Link Road) and East West Link Road

Sue Procter presented a report (circulated) in Part II (Private and Confidential) regarding the Preston Western Distributor and East West Link Road schemes.

It was noted that the report provided an interim position with regard to external advice sought and that it was proposed to bring a further report to the November Combined City Deal meeting with a funding proposal.

**Resolved:** The City Deal Executive and Stewardship Board noted the report and agreed that a further report be presented to the November 2017 meeting regarding a funding proposal for these schemes.

## 14. Infrastructure Delivery - Procurement of Broughton Village/A6 Corridor Improvement Works

Sue Procter presented a report (circulated) in Part II (Private and Confidential) regarding the procurement of works for Broughton Village / A6 Corridor Improvement Works.

### **Resolved:**

- (i) The City Deal Executive and Stewardship Board noted the report.
- (ii) The City Deal Executive approved that a formal tender process be undertaken for the delivery of the Broughton Village / A6 Improvement Works.

**15. Chairmans report to the Lancashire Enterprise Partnership (LEP) Board**

The City Deal Executive Chair, Jim Carter, summarised that details regarding the funding of schemes would be reported to the next LEP Board and that the Growth Deal Management Board also undertaking a detailed review of schemes. It was noted that the Chair of both the LEP Board and the Growth Deal Management Board were fully appraised of City Deal Schemes.



## CITY DEAL

Preston, South Ribble & Lancashire

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

### **Minutes of the Inquorate Meeting held on Monday, 18th September, 2017 at 10.00 am at the Committee Room 'C' - The Duke of Lancaster Room, County Hall, Preston**

#### **Present**

Karl Tupling (Chairman)

Jim Carter  
Heather McManus

Lorraine Norris

#### **In Attendance**

County Councillor Geoff Driver, Leader, Lancashire County Council  
Councillor Peter Mullineaux, Leader, South Ribble Borough Council  
Councillor Peter Rankin, Leader, Preston City Council  
Jo Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council  
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council  
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Council) were welcomed to the meeting, attending as Observers. The Executive and Stewardship Board agreed they could remain for the full meeting subject to observing the protocols of the Part II Private and Confidential section of the meeting.

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**Resolved:** The City Deal Executive and Stewardship Board:

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**Resolved:** The City Deal Executive and Stewardship Board noted the contents of the report and the progress made on each scheme.

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It was explained that the report was presented in three parts:

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With regard to finance, it was noted that finances were as expected for the quarter.

**Resolved:** The City Deal Executive and Stewardship Board noted the Quarter 1 Implementation Update for the period April – June 2017.

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Sue Procter, Director – Programmes and Project Management, Lancashire County Council presented a report (circulated) regarding Infrastructure Delivery of the Fishergate Central Gateway (Phases 1,2 and 3) including a suggested re-profile of funding.

It was noted that whilst Phase 2 had exceeded the profiled budget of £3.1m by £1.15m due to a number of factors set out in the report. Informed by the outturn costs for Phases 1 and 2, and a robust re-appraisal of the design and construction costs, it is now estimated that the final cost of the combined projects is £10.736m, creating a funding gap of £44k. It was proposed that this funding gap be met from the unallocated element of the Transport Corridor line within the City Deal model.

### **Resolved:**

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- (ii) The City Deal Executive approved the transfer of £44,000 from the unallocated element of the Transport Corridor line into the Fishergate Central Gateway project.

## 11. Any Other Business

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It was explained that this document provided a summary of the position from signing of the deal in September 2013, delivery milestones met since and targets set for the current year and beyond.

It was recommended that the programmed review scheduled for 2018 / 19 be brought forward and be undertaken as soon as possible by officers in 2017, with a view to reporting the review to City Deal Members at either the November 2017 meeting, or, a special meeting to be arranged.

**Resolved:** The City Deal Executive and Stewardship Board noted the City Deal Summary Position as at September 2017 document and agreed that the review programmed for 2018 / 19 be brought forward and reported to either the November 2017 meeting, or, a special meeting to be arranged.



## 12. Date of Next Meeting

It was noted that the next scheduled meeting of the Combined City Deal Executive and Stewardship Board would be held on Wednesday 29<sup>th</sup> November 2017, 2pm, in Committee Room 'C' – The Duke of Lancaster Room, County Hall, Preston.

### Part II

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It was noted that the report provided an interim position with regard to external advice sought and that it was proposed to bring a further report to the November Combined City Deal meeting with a funding proposal.

**Resolved:** The City Deal Executive and Stewardship Board noted the report and agreed that a further report be presented to the November 2017 meeting regarding a funding proposal for these schemes.

## 14. Infrastructure Delivery - Procurement of Broughton Village/A6 Corridor Improvement Works

Sue Procter presented a report (circulated) in Part II (Private and Confidential) regarding the procurement of works for Broughton Village / A6 Corridor Improvement Works.

### **Resolved:**

- (i) The City Deal Executive and Stewardship Board noted the report.
- (ii) The City Deal Executive approved that a formal tender process be undertaken for the delivery of the Broughton Village / A6 Improvement Works.

**15. Chairmans report to the Lancashire Enterprise Partnership (LEP) Board**

The City Deal Executive Chair, Jim Carter, summarised that details regarding the funding of schemes would be reported to the next LEP Board and that the Growth Deal Management Board also undertaking a detailed review of schemes. It was noted that the Chair of both the LEP Board and the Growth Deal Management Board were fully appraised of City Deal Schemes.



## CITY DEAL

Preston, South Ribble & Lancashire

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

**Private and Confidential: No**

Wednesday, 29 November 2017

**HCA Quarterly Monitoring Progress Update - Q2 2017/18**  
(Appendix 'A' refers)

**Report Author: Stuart Sage, Homes and Communities Agency**

#### **Executive Summary**

The attached report (Appendix 'A') provides an update on the progress made by the HCA on the delivery of the City Deal housing sites from 01.07.17 to 30.09.17. It focuses on the key delivery milestones, finances invested, outputs and draws out key risks and emerging issues.

#### **Recommendation**

The City Deal Executive and Stewardship Board is asked to note the content of the report and the progress made to date.

#### **Background and Advice**

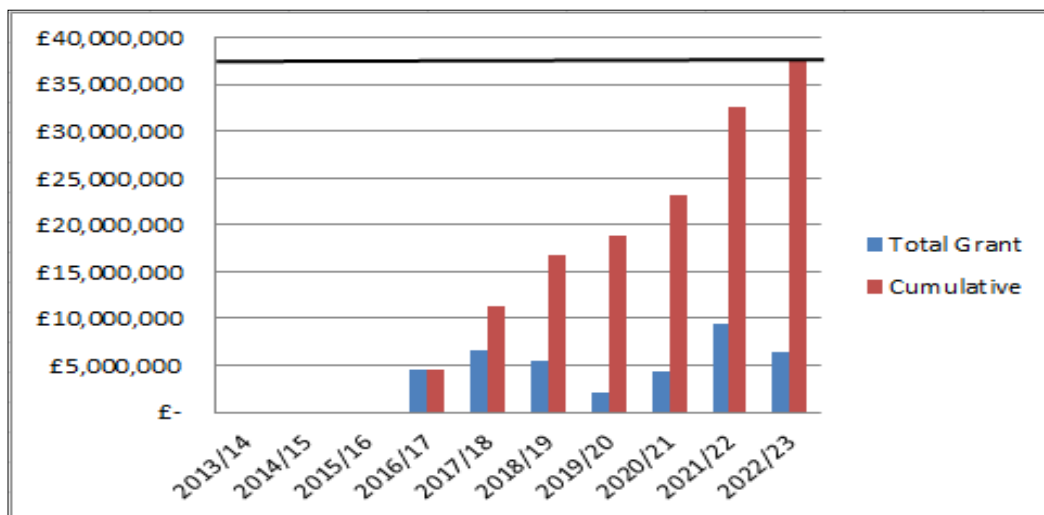
See Appendix 'A'



**CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD – 29 NOVEMBER 2017**  
**Appendix 'A' - HCA Quarterly Monitoring Progress Update – Q2 2017/18**  
**Report Author: Stuart Sage, Head of Public Sector Land North West, HCA**

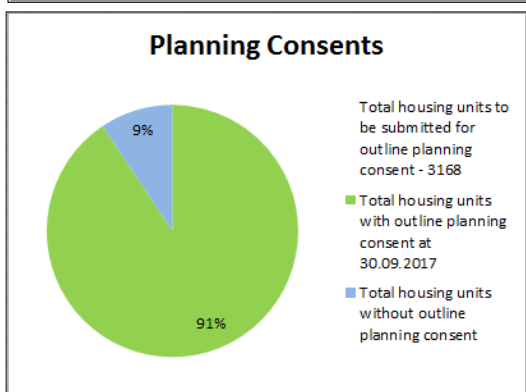


**CITY DEAL**  
 Preston, South Ribble & Lancashire



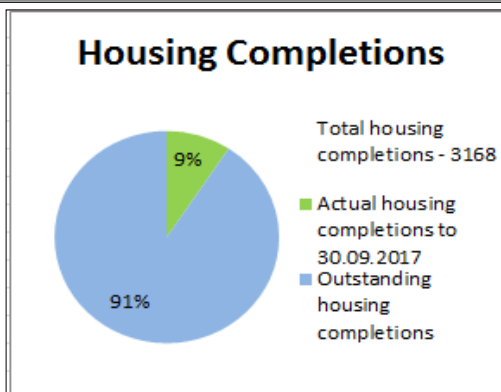
	Previous Quarter (Apr-Jun)	This Quarter (Jul - Sep)	Quarterly Average	In Year Actual	BDP Forecast for Year
Grant	£3,103,976	£2,376,510	£459,251	£5,480,486	£6,646,288
Loan	£0	£0	£652,501	£0	£3,187,708
Housing Completions	18	31	19	49	147

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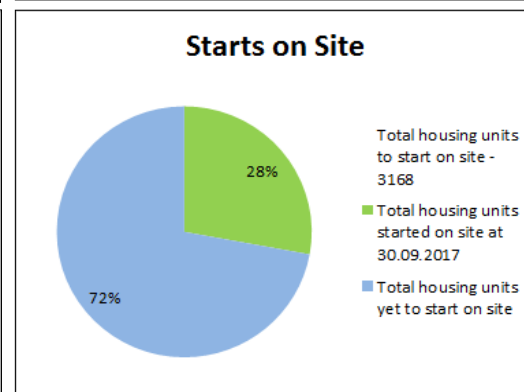


No additional planning permission for residential development secured by HCA in this reporting period.

Only Pickerings Farm is yet to achieve planning, however an amended planning consent for remaining Whittingham phases is required.

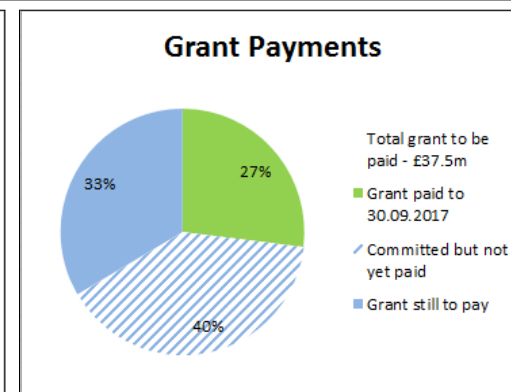


Residential development is underway on five outlets. There has been a slight increase in housing completions to reflect the increased development activity on Cottam Hall, Eastway, Whittingham and Croston Road South.



No additional Starts on Site during this reporting period.

Starts on Site are counted for the entire site on commencement of first unit.



£2,376,510 of grant paid in this reporting period. The grant was high this quarter due to a committed payment of almost £2.228m being made by Story and paid back out to LCC. The remainder of the grant paid this quarter relates to Cottam Ph1's plot sales.

## 1.0 Report Overview

1.1 This report provides an update on the progress made by the HCA on the delivery of the City Deal housing sites from 01.07.17 to 30.09.17. 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 note the content of the report and the progress made

## 3.0 HCA Site Highlights (01.07.17 to 30.09.17)

3.1 Between the period 01.07.17 and 30.09.17, progress has been made on a number of HCA sites. Key highlights and future milestones can be found in the table below:

Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
1	<b>Cottam Hall Phase 1 (Site K)</b>	Barratts on site	74/104 (71%)	6	£148,510 grant paid to LCC in this reporting period	The grant consisted of payments from 5 plot sales.  Since the end of the reporting period a further £29,702 has been paid in grant to LCC.	Further grant payments are anticipated however the amounts are dependent on plot sales.

Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
	<b>Cottam Hall Phase 2</b>	Story Homes on site.	31/283 (11%)	3	N/A	2 completions since the end of the reporting period.	N/A – ongoing build out
	<b>Cottam Hall Phase 3</b>	Deal done with Morris Homes - not yet on site. RM application submitted.	0/119 (0%)	N/A	N/A	RM application was submitted in March 2017. The application did not go to September's planning committee as anticipated last quarter. HCA have continued to work with Morris and this should now go to December's planning committee.	RM application to go to January planning committee. The deal is anticipated to go unconditional in March once JR period has expired. This will trigger the loan payment (£3.9m)
<b>2</b>	<b>Cottam Brickworks</b>	Planning permission in place	0/206 (0%)	N/A	N/A	Site in 3 <sup>rd</sup> party ownership. Access land agreement has lapsed.	No progress envisaged by land owner in forthcoming quarter.

Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
3	<b>Land at Eastway (resi)</b>	Story Homes on site.	17/300 (6%)	9	£1.17m loan repaid, £2.28m grant payment made to LCC	<p>There have been a further 4 completions since the end of the reporting period.</p> <p>LCC re-paid their loan of £1.17m in August. A grant payment of £2.28m was made to LCC in August following receipt of a contractual payment from Story Homes.</p>	N/A – ongoing build out
	<b>Land at Eastway (commercial)</b>	Conditional contracts exchanged with HBS Healthcare Ltd – not yet on site.	N/A (commercial)	N/A	N/A	The site was sold to HBS Healthcare Ltd in May on a conditional basis – the condition is that Story Homes construct the access to the site. They now have planning consent for the access road and changes to the guild wheel. HBS has submitted a planning application for the site.	More information on planning committee date anticipated.



Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
4	Whittingham	Taylor Wimpey on site (phase 1 only)	Ph 1 - 61/150 (41%)	5	N/A	<p>Consultant procurement to resolve planning and design issues commenced.</p> <p>A further 2 completions on Ph 1 since the end of the reporting period.</p> <p>A number of properties on Ph1 appear complete, but are not being recorded as having achieved PC by TW who are unable to sell houses freehold due to a legal technicality.</p>	Tenders for consultant appointment to be received in November for revised planning application. Expected to appoint early December
5	Preston East EA	Site not yet marketed	N/A (commercial)	N/A	N/A	Feasibility work being undertaken by consultants is still ongoing.	Soft market testing report being undertaken by JLL to be received by HCA.
	Preston East – Sector D	Deal completed with Inchcape Estates – now on site	N/A	N/A	N/A	Inchscape Estates have secured planning permission and are now on site	N/A

Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
6	<b>Pickerings Farm</b>	Site not yet marketed	0/297 (0%)	N/A	N/A	Negotiations with Taylor Wimpey re collaboration agreement progressing well. Formal HCA approval expected in Jan along with consultant appointments.	Consultant tender responses to be received. Interviews to take place late November/early December
7	<b>Altcar Lane</b>	Site currently on the market	0/200 (0%)	N/A	N/A	<p>Following marketing, 11 expressions of interest received. 6 responses to the sifting brief and 4 of these were shortlisted. ITT issued to the 4 shortlisted parties.</p> <p>Further progress since the end of the reporting period - 2 tenders received on 1 November from Galliford Try and Lovell. These are currently being assessed.</p> <p>Meeting took place with HCA and the planners at South Ribble Borough Council in November</p>	HCA will hopefully have a preferred bidder in place by late Dec/ early Jan.

Site	Project	Status	Completions/ total units	Completion s (Jul-Sep)	Finance (Jul-Sep)	Summary	Milestones for next quarter (Oct-Dec)
						and planners considered both schemes to be good.	
8	<b>Croston Road North</b>	Site not yet marketed	0/400 (0%)	N/A	N/A	Phase 1 now agreed with South Ribble. HCA due to start marketing this phase in June 2018. Progress has been made on the acquisition of land currently outside of HCA ownership.	N/A
9	<b>Croston Road South</b>	Miller on site.	40/175 (23%)	9	N/A	Millers on site and building out.  There have been 3 further completions since the end of the reporting period.	N/A – ongoing build
10	<b>Brindle Road</b>	Complete	46/46 (100%)	N/A	N/A	All units completed.	N/A
11	<b>Walton Park Link</b>	Morris on site	0/350 (0%)	N/A	N/A	Deal between Morris Homes and National Grid has now gone unconditional. Morris commenced on site in September.	N/A – ongoing build

## 4.0 Risks

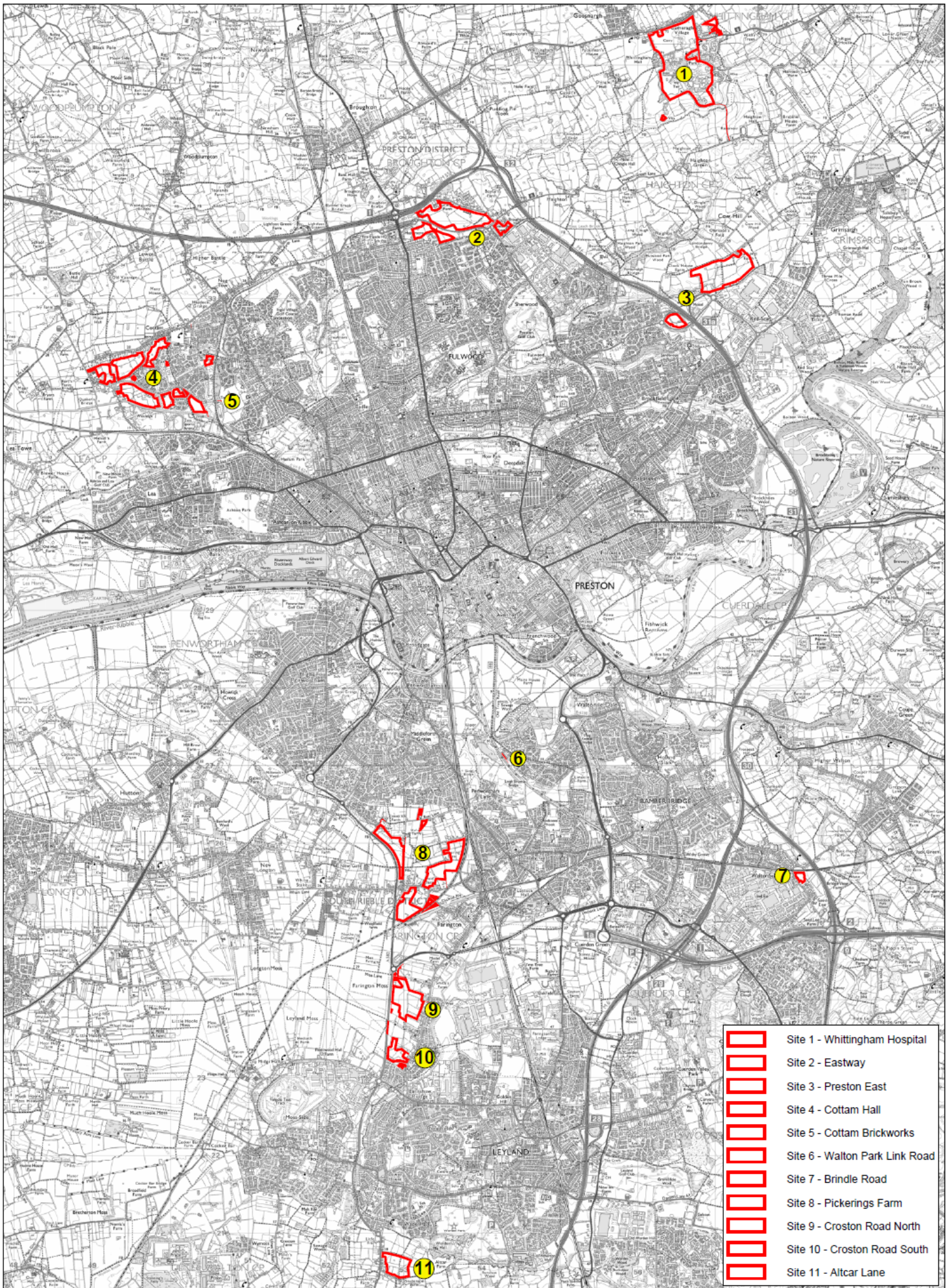
- 4.1 Ongoing delays associated with Pickerings Farm and Whittingham Hospital risk the ongoing success of housing delivery across HCA land. Measures are being put in place to address the delays and expedite progress where possible.
- 4.2 The collaboration agreement with TW at Pickerings Farm should be exchanged in early 2018. This will then enable the masterplanning work to progress.
- 4.3 HCA are at an advanced stage with the consultant procurement at Whittingham Hospital to progress the revised planning application.
- 4.2 Viability remains a concern at Whittingham Hospital due to the level of abnormal costs associated with a new spine road, foul sewer connection and the provision of a new sports facility. Partners will be engaged in these discussions at the earliest opportunity.

## 5.0 Summary

- 5.1 Overall positive progress is being made across the portfolio. The 31 completions last quarter were significantly higher than the quarterly average. Other particular successes include:
- Walton Park Link Road – The deal between Morris Homes and National Grid has now gone unconditional. Morris Homes started on site in September
  - Altcar Lane – A good response from the marketing exercise with 11 EOIs being received, 6 responses to the sifting briefs and 4 shortlisted parties.
  - Preston Sector D – Inchscape secured planning permission and started on site

Housing activity should increase over the course of the coming 12 months with a start on site expected at Altcar Lane and marketing underway at Croston Road North Phase1 and Cottam Hall Phase 4.

- 5.2 HCA are on track to pay the £37.5m grant by 2022/23.



- Site 1 - Whittingham Hospital
- Site 2 - Eastway
- Site 3 - Preston East
- Site 4 - Cottam Hall
- Site 5 - Cottam Brickworks
- Site 6 - Walton Park Link Road
- Site 7 - Brindle Road
- Site 8 - Pickerings Farm
- Site 9 - Croston Road North
- Site 10 - Croston Road South
- Site 11 - Altcar Lane

Information shown is correct to the best of Spatial Intelligence Department's knowledge at date of issue.

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## HCA Preston City Deal Sites

APH24298 / 15/06/2017 / SCALE : N. T. S.





## CITY DEAL

Preston, South Ribble & Lancashire

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

**Private and Confidential: NO**

Wednesday, 29 November 2017

### **City Deal Governance Report - New LEP Nominee**

**Report Author: Andy Milroy, Senior Democratic Services Officer, Lancashire County Council Tel: 01772 530354, [andy.milroy@lancashire.gov.uk](mailto:andy.milroy@lancashire.gov.uk)**

#### **Executive Summary**

This report is to notify the City Deal Executive and Stewardship Board that following the resignation of Lancashire Enterprise Partnership (LEP) Director Malcolm McVicar, the LEP Board has agreed to nominate new LEP Director Mark Rawstron as replacement for Malcolm on the City Deal Executive.

In addition to the above membership change, a summary of the current combined meeting arrangements has been included in this report for the benefit of new, or relatively new, City Deal Members.

#### **Recommendation**

The City Deal Executive and Stewardship Board is asked to:

- (i) Note the appointment by the LEP of Mark Rawstron as the LEP Deputy Chair's Nominee on the City Deal Executive.
- (ii) Note the revised Membership List and Status for Joint City Deal Meetings as set out in the report.

#### **Background and Advice**

At the City Deal meeting held on 13<sup>th</sup> February 2015 it was agreed that the City Deal Executive and City Deal Stewardship Board would hold their meetings jointly due to the majority of business items being the same, improving the efficiency of the City Deal meetings.

It was also agreed to maintain the existing separate Terms of Reference and not, at that stage, formally merge the two meetings together. It was noted that in order to maintain formal separation of the two meetings, separate minutes for the City Deal Executive and City Deal Stewardship Board would still be prepared.



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## **Combined Meeting Arrangements**

As a result of the decision taken on 13<sup>th</sup> February 2015, meetings of the City Deal Executive and Stewardship Board have been held jointly as a combined meeting, with one agenda, structured as follows:

- Section 1 – City Deal Stewardship Board Items (Chaired by the HCA representative)
- Section 2 – Combined Stewardship and Executive Business (Chaired by the LEP Chair's nominated representative)
- Section 3 – Executive Items (Chaired by the LEP Chair's nominated representative)

As previously mentioned, in order to maintain the formal separation of the two meetings, separate minutes for City Deal Executive and City Deal Stewardship Board are produced documenting any formal decisions taken by the Executive and Stewardship Board.

## **Attendance**

It was agreed that both City Deal Executive and City Deal Stewardship Board members be allowed to attend all parts of the combined meeting.

City Deal Executive members are treated as observers for City Deal Stewardship Board items with City Deal Stewardship Board members treated as observers for City Deal Executive items.

Observers present may be allowed to contribute with permission from the Chair of the relevant section.

Observers shall not be entitled to vote, voting is reserved for members of the Executive / Stewardship Board, as appropriate, for the relevant agenda section. For clarity, in practice this means that only City Deal Stewardship Board members can vote on Stewardship Board only items, both Stewardship Board and Executive members can vote on combined business items, with only Executive members entitled to vote on Executive only items.

## **Membership and Quorums**

The membership and quorums of the City Deal Stewardship Board and Executive remain unchanged, therefore respective quorums are required to conduct business. The membership and quorums are as follows:

### **Stewardship Board Membership**

1. The Stewardship Board shall comprise the following Members:
  - i) The North West Executive Director of the HCA (or their nominee);





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- ii) The Chief Executive of Lancashire County Council (or their nominee);
- iii) The Chief Executive of South Ribble Borough Council (or their nominee);
- iv) The Chief Executive of Preston City Council (or their nominee); and
- v) The Lancashire Enterprise Partnership's Champion for Strategic Development (or their nominee).

2. The Stewardship Board shall have the power to appoint up to 2 additional Members.

## **Executive Membership**

The City Deal Executive shall comprise the following Members:

- i) The Leader of Lancashire County Council (or their nominee);
- ii) The Leader of South Ribble Borough Council (or their nominee);
- iii) The Leader of Preston City Council (or their nominee);
- iv) The Chair of the Lancashire Enterprise Partnership (LEP) (or their nominee);
- v) The Vice-Chair of the LEP (or their nominee); and
- vi) The LEP's Champion for Strategic Development (or their nominee)

## **Stewardship Board Quorum**

The quorum for Stewardship Board meetings shall be 5. No meeting shall be quorate unless each Member (or their nominee) set out in 1 above is present.

## **Executive Quorum**

The quorum for City Deal Executive meetings shall be 4. No meeting shall be quorate unless the following Members (or their nominees) are present:

- i) the Chair of the LEP or Vice-Chair of the LEP;
- ii) the Leader of Lancashire County Council
- iii) the Leader of South Ribble Borough Council; and
- iv) the Leader of Preston City Council.



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## Current Membership List and Status for Joint City Deal Meetings

<b>Name</b>	<b>Role</b>	<b>Status for Executive Items</b>	<b>Status for Stewardship Board Items</b>
Jim Carter	LEP Chair's nominee	Chair (Member)	Member (acts as LEP Champion for Strategic Development on Stewardship Board)
Mark Rawstron	LEP Vice Chair's nominee	Member	Observer
County Councillor Geoff Driver CBE	Leader of Lancashire County Council	Member	Observer
Councillor Peter Mullineaux	Leader of South Ribble Borough Council	Member	Observer
Councillor Peter Rankin	Leader of Preston City Council	Member	Observer
Jim Carter (Dual role on Executive)	LEP's Champion for Strategic Development	Member	Member
Karl Tupling	The North West Executive Director of the HCA	Observer	Chair (Member)
Jo Turton	The Chief Executive of Lancashire County Council	Observer	Member
Heather McManus	The Chief Executive of South Ribble Borough Council	Observer	Member
Lorraine Norris	The Chief Executive of Preston City Council	Observer	Member



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

**Private and Confidential: No**

Wednesday, 29 November 2017

### **Business and Delivery plan – Six Monthly Monitoring Report – 2017/18 and Implementation Update**

(Appendices 1, 2, 3, 4 refer)

**Report Author: Sarah Parry, Programme Manager – City Deal, Lancashire County Council, Tel: 01772 530615, email: sarah.parry@lancashire.gov.uk**

#### **Executive Summary**

This report provides the City Deal Executive and Stewardship Board (CD E&SB) with an overview of how the Programme has performed during and up to 30 September 2017. The report brings together both quantitative and qualitative information relating to the Core/Supporting Outputs and key projects/development sites in the Business and Delivery Plan.

This information is used to report to Government on progress towards agreed targets and notes progress up to September 2017 only with the exception of Employment and Skills which presents a full end of year report (academic year 2016/17).

The report provides an update on the following outputs and activities:

- Housing outputs
- Commercial floorspace outputs
- Jobs related to commercial floorspace/infrastructure/business support
- Employment and skills
- Public and private sector investment
- Infrastructure
- Risk Management

Accompanying the report are a series of themed dashboards providing an overview of performance and key issues across themes. The dashboards can be found in the following appendices.

- Appendix 1 – City Deal Overview – key outputs and performance
- Appendix 2 – City Deal housing and employment sites update
- Appendix 3 – Employment and Skills Case Studies
- Appendix 4 – Infrastructure Delivery



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## Recommendation

The City Deal Executive and Stewardship Board is requested to:

- (i) Note the overall performance of the Programme up to September 2017; and
- (ii) Endorse the proposed Monitoring Return to Government as set out in the report for the 6 month period April 2017-September 2017.

## Background and Advice

The Preston, South Ribble and Lancashire City Deal is a 10 year Programme to provide key infrastructure in support of the delivery of over 17,000 houses, over 1m sqm of commercial floorspace and around 20,000 jobs.

Monitoring metrics have been agreed between Government and the City Deal Executive and Stewardship Board (E&SB) in order to monitor progress and manage risk. The primary purpose of this report is to set out progress against the core and supporting metrics agreed and reported in the tables below. As well as providing an indication of overall direction of travel the report also describes some of the activities being undertaken to identify and address issues and risks to overall delivery.

## Housing Outputs – see Appendices 1 and 2

### Housing Unit Completions

Overall, since the start of the Deal period there have been **3048** housing completions against a target of **2561**. During the first six months of year 4 (2017/18) **434** completions have been achieved slightly below a 6 month forecast of **503**.

### Housing Units Submitted and Consented for Planning

Inclusive of year 0 (2013/14) a total of **11289** housing units have been submitted for planning. The total number of planning consents to date is **11582**.

It's worth noting that there is a small historic surplus of planning consents over submissions for planning permission within the City Deal period. This is a result of submissions on City Deal sites prior to the start of the City Deal programme that were determined after commencement of City Deal.

Planning targets for Preston in particular in the last six months were particularly low as a result of a significant number of units having been consented early on in the City Deal. In this monitoring period only a very small number were predicted to be submitted for planning and likewise consented. Both planning submissions and consents have exceeded targets for this period mainly as a result of significant new



applications in Preston (e.g. Land South of Tom Benson Way and land north of Durton Lane).

Sites where construction is actively taking place continues to grow with **32** sites currently active. Some of the city deal sites have commenced construction earlier than originally anticipated with a number of new sites coming forward.

A breakdown of the housing targets and outputs is set out in table 1 below:

**Table 1 Housing – performance measures**

Measure	Six month - target 17/18	Six month actual	Variance (against 6 month target)	All Years Cumulative Variance
Total number of Housing units completed	503	434	-69	+487*
Total number of housing units submitted for planning **	390	1115	+725	-554
Total number of Housing units consented for planning *	400	1147	+747	-39

\* Cumulative variance is calculated against revised Keppie Massie targets 2016 –adjusted 2017.

\*\* Includes Outline and Full Planning consent only

**Notable progress has been made on the following named sites:**

- The masterplan for Moss Side Test Track was approved by planning in July 2017 with an outline application anticipated by the end of the year.
- All NW Preston sites are progressing well, Haydock Grange is progressing particularly quickly and Eastway is also performing well, although start on site was only recently.
- In South Ribble the Altcar Lane site (Redrow site) has gained outline planning permission and reserved matters submissions are expected in the near future.
- The southern end of the Croston Road site is progressing at pace and the HCA is looking at options to facilitate the delivery of the spine road on the northern section of the site.
- 

**The following sites have not progressed as anticipated:**

There are a number of sites where overall progress towards delivery is either slower than anticipated or issues have been identified that need to be addressed in order for the sites to move forward. These are summarised in the Housing and employment



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dashboard appendix 2 – fig 2 – Housing and employment sites – sites identified as amber or red - issues and responses. The more significant sites, those expected to yield the greatest housing numbers continue to be monitored closely by the Development Sites Delivery Group (DSDG) in order to progress delivery at the earliest opportunity.

- Ongoing delays associated with Pickerings Farm and Whittingham Hospital risk the ongoing success of housing delivery across HCA land. Measures are being put in place to address the delays and expedite progress where possible.
- Viability remains a concern at Whittingham Hospital due to the level of abnormal costs associated with a new spine road, foul sewer connection and the provision of a new sports facility.
- Vernon Carus - Bovis are actively marketing this site and as such it is unlikely that discharge of permissions will take place as originally anticipated in order to secure delivery as planned.
- The development of the entire Heatherleigh/Croston road site has experienced issues with individual landowners not wanting to bring their land forward at this time.

**Table 2 – Performance on HCA sites between 1 April and 30 Sept 2017:**

Measure	Six month target	Six month actual	Variance	All years cumulative (actual)	All Years Cumulative Variance
	Target	Actual			
Number of HCA sites submitted for planning permission **	1	1	0	8	-1
Number of HCA sites granted planning permission **	1*	0	-1	10	-3
Number of HCA sites where construction is actively taking place	7	6	-1	6	-1
Total number of housing completions on HCA sites	85	83	-2	297	+21

Source: HCA

(\* Cottam Hall Ph3 (\*\*)) includes reserved matters

Particular progress has been made on the following HCA sites in the last six months. **Land at Eastway** (commercial was sold to HBS Healthcare Ltd in May on a conditional basis. A planning application was submitted in September.



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**Walton Park Link Road** – The deal between Morris Homes and National Grid is now unconditional. Morris Homes started on site in September.

**Altcar Lane** – A good response from the marketing exercise with 11 EOIs being received, 6 responses to the sifting briefs and 4 shortlisted parties.

## Commercial Floorspace Outputs - see Appendices 1 and 2

Overall in the first 6 months of year 4, there has been a strong performance of completions against targets with **2,601 sq m** of commercial floorspace completed compared with the target of **418 sq m**. This is due to the build out of the next phase of industrial units at Red Scar, Preston as a result of strong first phase lettings. Cumulatively, completions are also on target against trajectories with **48,558 sq m** of commercial floorspace completions compared with the target of **35,756 sq m**, buoyed by speculative build at South Rings and Preston East as market demand for smaller units remains strong.

With regard to planning submissions in the last six months, **9,116 sq m** of commercial floorspace was **submitted** for planning compared with the target of **1,400 sq m** and **188,642 sq m** of commercial floorspace was **consented**, meeting the 6 month target.

Planning consents remain on track for the period with the approval of the Cuerden Strategic site and Preston East Sector D site. The significant cumulative variance in relation to planning consents shown in the table below is as a result of milestones shifting backwards in relation to large sites in Preston East. The uplift in Planning submissions were buoyed by the next phase of Queen's Retail Park, Horrocks coming forward earlier than anticipated.

A breakdown of the commercial sites targets and outputs is outlined in table 3 below:

**Table 3: commercial floor space – core and supporting outputs**

Core and supporting outputs	17/18 (Q1-2) Trajectory (sq m)	17/18 (Q1-2) Actual (sq m)	17/18 (Q1-2) variance	All Years Cumulative Variance
Commercial floorspace consented for planning (sq m)	188,642	188,642	0	-155,702
Commercial floorspace completed (sq m)	418	2,601	+2,183	+12,802
Commercial floorspace submitted for planning (sq m)	1,400	9,116	+7,716	-38,954



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Notable progress has been made on the following named sites:

- Red Scar – Phase 2 completed following strong occupation of Phase 1
- Preston East (Sector D) – commenced on site
- UCLAN Campus (Engineering Innovation College) – commenced on site
- South Rings employment site – commenced on site
- Horrocks Development – Phase 2 completed

The following sites have not progressed as anticipated:

- Employment land at mixed-use sites have been delayed including Cottam Brickworks and Whittingham Hospital
- Preston City Centre developments are subject to market demand in progressing planning applications (Altus development & College House at Winckley Square)

## **How we are working to progress employment sites:**

Partners are working on a number of activities to ensure that future targets are met, which include:

- Delivery of Cuerden Strategic Site planning conditions and site infrastructure.
- Implementation of a Marketing & Communications Plan to generate investor interest, including; the representation of City Deal at MIPIM UK, the proposed launch of the Invest Central Lancashire proposition, and regular Developer & Investor events.
- A programmed approach to bringing forward housing sites, aided by the intervention of the Development Sites Delivery Group, including mixed-use sites where there is a commercial element.
- Additional planning capacity provided through the successful HCA Capacity Fund bid including the appointment of a Preston Housing Zone Programme Manager.

Project activity continues to expedite specific site development matters including;

- Retail end uses at Whittingham Hospital is being considered for removal as part of a planning variation.
- The extended sales process for Bluebell Way has resulted in positive engagement with a new interested party and LCC/HCA are progressing the contract.
- College House – Following the carrying out of essential repairs by the landlord, Preston City Council have only limited powers to encourage the property to be developed. Consideration will be given to possible Winckley Square Townscape Heritage Initiative grant funding should opportunities arise and a business case can be made.
- The Altus site in Preston City Centre continues to be strongly marketed through City Deal and is featured in the Invest Central Lancashire proposition launch.





## Jobs related to commercial floorspace

There have been a total of 60 jobs in Year 4 1<sup>st</sup> 6 months associated with City Deal commercial floorspace completions compared with a target of 10 jobs.

This excludes employment associated with the apprenticeships, for which data is not yet available due to academic years, and lettings at existing commercial premises which is collected on an annual basis.

Other complementary employment includes;

- 80 jobs associated with infrastructure projects.
- 95 jobs created through business support activities.

The main risks and mitigation are largely linked to the delivery of the commercial sites, which are currently progressing well.

Outputs will continue to be focussed on these established sites, whilst the development of mixed-use sites and other large employment sites will support the next phase of jobs outputs.

As additional mitigation, and specific to skills and employment, the Central Lancashire Authorities have consulted on a Supplementary Planning Document (SPD) on Employment and Skills which is aimed at promoting the Social Value agenda, and which has now been adopted. The Cuerden Strategic Site will be an early project to implement this SPD and for which a funded Skills Coordinator will be appointed.

The table below provides a breakdown of jobs targets and outputs.

**Table 4: Jobs – outputs**

<b>Jobs outputs</b>	<b>17/18 (Q1-2) Trajectory</b>	<b>17/18 (Q1-2) Actual</b>	<b>All Years Cumulative Variance</b>
Jobs accommodated	10	60	+297
- Via commercial floorspace completions*			
- Construction jobs connected to Capital Investment**	n/a	80	n/a
- Jobs associated with existing floorspace	n/a	-	n/a
- BOOST Business Lancashire	n/a	95	n/a

\* 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



## Employment and Skills – see Appendix 3

In most cases the outputs in relation to skills and employment are progressing as expected, please refer to Table 5 below.

- Apprenticeships have increased in 2016/17 (see rows 1 and 2) against a backdrop of major apprenticeship reforms, in particular the introduction of the apprenticeship levy and the new apprenticeship qualifications called apprenticeship standards.
- The number of graduates accessing graduate jobs has increased both overall and into construction and engineering jobs (rows 3 and 4).
- Graduate placements and internships have decreased slightly (row 5) and UCLan are utilising their Masterplan partnerships for example with Conlon Construction to address this.
- The number of new Higher Education students choosing Science, Technology, Engineering and Maths (STEM) subjects and construction undergraduate degree subjects at UCLan has increased year on year (row 6).
- Jobseeker's Allowance (JSA) and Universal Credit (UC) claimants have increased against a back drop of static unemployment. Under Universal Credit a broader span of claimants are required to look for work than under Jobseeker's Allowance. As Universal Credit Full Service is rolled out in particular areas, the number of people recorded as being on the Claimant Count is therefore likely to rise.
- The number of interventions/ activities promoting City Deal and construction career opportunities with the City Deal area has increased and this is despite of there being no direct involvement of the City Deal in having a stand at the 2017 Lancashire Science Festival as there was in 2016. Instead partners have delivered a wide range of activities directly with schools and a selection of these are illustrated in the case studies provided with this report. Table 5 below provides a breakdown of the skills and employment targets and outputs.

**Table 5: Skills and Employment metrics**

Output	Baseline: Academic Year 2012/13	Actual Year 1* 2013/14	Actual Year 2 * 2014/15	Actual Year 3 * 2015/16	Actual Year 4 * 2016/17
*refers to academic year					
<b>1. Apprenticeships starts in construction</b>	N/A	101	121	124	155
16-24 year olds residents of Preston and South Ribble who have started an apprenticeship in the construction sector. Additional numbers year on year.					



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Output	Baseline: Academic Year 2012/13	Actual Year 1* 2013/14	Actual Year 2 * 2014/15	Actual Year 3 * 2015/16	Actual Year 4 * 2016/17
*refers to academic year					
Source: Preston's College, Runshaw College and T2000 ESFA data					
<p><b>2. Apprenticeship starts in all subjects</b></p> <p>16-24 year old residents of Preston and South Ribble who have started an apprenticeship (excluding construction). Additional numbers year on year.</p> <p>Source: Preston's College, Runshaw College and Training 2000 ESFA data</p>	N/A	672	684	710	875
<p><b>3. HE leavers getting graduate jobs in construction and engineering</b></p> <p>Destinations of leavers in higher education (DLHE) into construction and engineering graduate jobs. Additional numbers beyond the 2012/13 baseline</p> <p>Source: DLHE Data</p>	85	116	69	78	2015/16 is the latest data available
<p><b>4. HE leavers getting graduate jobs in all sectors</b></p> <p>Destinations of leavers in higher education (DLHE) into all graduate jobs. Additional numbers beyond the 2012/13 baseline</p> <p>Source: DLHE Data</p>	4,223	4,332	4,118	4,151	2015/16 is the latest data available
<p><b>5. Graduate placements and internships across all sectors</b></p> <p>Additional numbers beyond the 2012/2013 baseline</p> <p>Source: UCLAN</p>	323	476	566	537	2015/16 is the latest data available
<p><b>6. New students choosing STEM and construction undergraduate degree subjects at UCLan</b></p> <p>Source: UCLAN</p>	1,359	1,431	1,988	2,146	2015/16 is the latest data available
<p><b>7. Job Seekers Allowance (JSA) and Universal Credit (UC) claimants</b></p> <p>A reduction in the overall numbers of active job seekers, who are receiving JSA and UC claimants in Preston and South Ribble.</p> <p>Source: NOMIS</p>	April 2013 – not available	April 2014 – 3,705	April 2015 – 2,855	April 2016 - 2900	April 2017 - 3175



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Output	Baseline: Academic Year 2012/13	Actual Year 1* 2013/14	Actual Year 2 * 2014/15	Actual Year 3 * 2015/16	Actual Year 4 * 2016/17
*refers to academic year					
<b>8. Number of interventions/ activities promoting City Deal and construction career opportunities with:</b>  A. Young People, B. Teachers/IAG practitioners, C. Parents, and D. Education Institutions  Source: Preston's College, Future U, STEMFirst and UCLAN	Not available	Not available	Not available	A 660 B 150 C 100 D 70	A 760 B 161 C 262 D 105

Details of supporting activities and a range of case studies are presented in the accompanying Skills and Employment dashboard at Appendix 4.

**Table 6: Business support and associated jobs**

Output	2016/17
New businesses supported through BOOST	95
Jobs created through BOOST business support	95

Source: BOOST

## Private Sector Investment

In 2017/18 Q1 and Q2 a combined total of £6.99m of public and private sector investment has been secured for infrastructure projects. Whilst the six month actual is much lower than the trajectory this is due to timings for receipt of payments. For example s106's, HCA payments etc. are affected by payment conditions that are difficult to predict part year.

**Table 7: Public and private sector investment – core outputs**

Core outputs	17/18 Trajectory	17/18 Actual (six months)
Public Sector Investment (to support Infrastructure programme)	£17.883m	£ 2.590m
Private Sector Investment (to support infrastructure programme)	£6.698m	£4.400m
Pension Fund Investment	-	-

\*after Parish and District deductions from Cil



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\*\* refers to investment made, planned or under development

## **Infrastructure delivery – see appendix 4**

The E&SB will note that of the 48 infrastructure schemes included in the Plan for 2016/17, 28 are progressing as planned with no issues identified or else have no milestones in the current year. A further 11 have been highlighted red/amber, either because they have not met the milestones in Q4 or will not meet the milestones going forward. 9 schemes are now complete.

The programme at June 2017 has been firmed up significantly with much greater certainty around schemes and future milestones. The business plan has been updated to reflect this. Notable achievements during the last six months include the completion and opening of the Broughton Bypass and the progression of the work associated with the design and delivery of the Broughton corridor works.

The planning applications for Preston Western Distributor (PWD) and Penwortham Bypass have both been approved with Penwortham due to commence on site by the end of the year. The Cuerden Strategic site has been through planning with a resolution to approve, subject to the completion of s106. The approval of planning permission for Penwortham bypass sets a programme for the delivery of the local centre works and this programme is now reflected in the business plan.

Work at Pope Lane roundabout is nearing completion, as are the local centre improvement works on New Hall Lane. Bamber Bridge Phase 1 is now complete as is the design for Phase 2 which is now proposing to start on site in Q4. The delay to start on site as a result of awaiting delivery of materials has resulted in completion of the scheme now anticipated in year 5, Q2. This is reflected in the business plan.

Preston bus station works are progressing well with the delivery of all bus bays now complete and work having commenced on the coach station. Two of the subways have now been infilled, with the third and final one to be completed by the end of quarter 4. The detailed design work for Fishergate Central Phase 3 is also expected to be complete by the end of the year.

Work on the City Transport Plan is progressing as is the masterplanning exercise for the remaining corridors. The outputs and final reports along with presentation to the steering group are expected in the New Year.

Appendix 4 – The City Deal Infrastructure update dashboard (Q2) provides a detailed RAG summary of performance for each scheme as well as highlighting movements in the programme, general performance and key issues.



## Implementation Issues

The table below sets out the current key issues that are being prioritised in the programme in order to appropriately manage risk. Some of the issues have previously been reported and an update on the current position is provided.

<b>Scheme/Issue</b>	<b>Update/Latest Position</b>
<b>Preston Western Distributor</b>	See detailed report included elsewhere on the E&SB Agenda
<b>East/West Link Road</b>	See detailed report included elsewhere on the E&SB Agenda
<b>Pickerings Farm - Link Road</b> cannot be progressed to design stage until bridge options have been determined and funding issues resolved.  Arrangements will need to be in place prior to detailed masterplanning being completed.	This site remains in the pre-application stage. Based on the latest returns from the HCA and Taylor Wimpey, the proposed unit numbers have reduced from 1350 to 1200.

## **Risk Management**

Whilst the City Deal Infrastructure Delivery Programme will deliver the critical infrastructure required to enable the full development of significant housing and commercial development schemes, the success of the programme (in so far as achieving its agreed core outputs) is subject to a series of cost, resource and timing risks associated with the infrastructure elements with other planning, commercial, policy and political risks associated with the whole programme but with particular relevance to the achievement of core outputs.

Any risks associated with the delivery of the key infrastructure is reported upon separately, and the completion dates for strategic highways are noted elsewhere.

The City Deal Programme area is a clearly defined city-area and as such is a tightly drawn geography subject to usual market forces and competition, with the result that development activity can and does vary from year to year.

That said, the core and supporting outputs, and partner market intelligence, act as a mechanism to anticipate where the City Deal Programme may experience problems



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in achieving housing completions, commercial development and job creation. The risks that are specific to this housing and commercial development activity are reported below, and updates are provided to indicate how these risks; i) are changing, ii) what impact they may have upon programme delivery and iii) how they are best being mitigated.

## Planning risks

Risk	Mitigation/response	Update
<p><b>Changes to or lack of Planning Framework to support City Deal objectives</b></p>	<p>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> <p>North West Preston development sites are covered by a Masterplan that was approved in February 2014, and which provides a comprehensive framework to guide the development process.</p> <p>A City Centre Action Plan covering a range of commercial sites has been prepared and submitted for examination Other site masterplans have also been prepared for a number of large sites.</p>	<p>Masterplans are being developed for Pickerings Farm and Moss Side Test Track</p> <p>The masterplan for North West Preston has now been adopted.</p>
<p><b>Planning permissions not being consented and/or progressed through the planning system sufficiently quickly</b></p>	<p>Planning consents are already in place for over a third of the housing planning permissions, and 10 year targets have been reviewed and updated which will enable an efficient and manageable processing of future planning submissions avoiding any unnecessary delays.</p> <p>Milestones are in place for all housing and commercial sites in order to help monitor progress through the planning system and resolve any planning related matters.</p> <p>The new Development Sites Delivery Group has a focus on identifying issues in the development process and identifying solutions in order to progress all large</p>	



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Risk	Mitigation/response	Update
	<p>housing sites. An issues log is now in place for all key sites with responses and actions being formulated.</p>	
<p><b>Lack of planning officer capacity</b></p>	<p>Housing Zone status has also been established for sites in Preston City Centre that cover c750 units, and will enable progress.</p> <p>As per above, capacity issues have been identified, in particular in specialist areas, which are subject to consideration s part of the City Deal review.</p>	<p>A Preston Housing Zone Programme Manager has been appointed</p>
<p><b>Failure to provide sufficient and appropriate infrastructure</b></p>	<p>A North West Preston Infrastructure Group has been established with the major house builders and land-owners to co-ordinate development and resolve land equalisation matters.</p>	
<p><b>Future housing numbers</b> GL Hearn Strategic Housing market assessment and OAN – issue around how this relates to City Deal Trajectory</p>	<p>Officers are preparing and City Deal/LEP response to the GL Hearn work, this was submitted to government on 9 November.</p>	<p><b>New risk</b></p>





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## Commercial risks

<b>Risk</b>	<b>Mitigation</b>	<b>Update</b>
<b>Planning support</b>	<p>Enterprise Zone is covered by a Local Development Order, and a number of Prior Notice for Developments have been completed to allow construction start on the Training facility and Logistics facility with this facility due for completion in 2016/17.</p> <p>Cuerden employment site has an approved Masterplan and SRBC's Site Allocations Plan was also approved in July 2015.</p>	<p>Cuerden Strategic Site planning approval is in place (subject to s106)</p>
<b>Low commercial values</b>	<p>As speculative build remains 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 &amp; Communications Strategy, co-ordinated with LEP-wide strategic marketing activity, will also support the increase in investor, developer and occupier demand.</p>	<p>Developers are responding to low office values by developing lower construction cost hybrid units (ie. South Rings Business Park).</p> <p>Speculative industrial unit development continues at Red Scar and South Rings which is a positive sign of market recovery.</p>
<b>Supply phasing</b>	<p>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.</p> <p>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</p>	



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Risk	Mitigation	Update
	<p>development.</p> <p>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.</p>	
<b>Investor awareness</b>	<p>A <b>City Deal Communications Strategy</b> 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. A number of high profile events to promote the Invest Central Lancashire proposition will be delivered in in partnership with Place North West. The City Deal offer was also promoted as part of the Lancashire Enterprise Partnership's presence at MIPIM London and MIPIM Cannes.</p>	<p>City Deal will be represented at MIPIM London in October.</p> <p>The Invest Central Lancs proposition is being finalised in readiness for launch.</p>

## Delivery risks

Risk	Mitigation	Update
<b>HCA site delivery</b>	<p>HCA has undertaken a detailed in-house resource capacity review and have streamlined their site disposal processes. HCA are continuing to work with agents to ensure the dynamics of the local housing market are factored into disposal activity.</p>	
<b>Site take-up/market demand is slower than anticipated</b>	<p>HCA 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 Carry out regular soft market testing 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</p>	



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	<p>are aware of City Deal site disposal opportunities A programme of investor Awareness activity is programmed as part of the City Deal Marketing &amp; Communications Strategy.</p> <p>Investor and Developer Forums continue to be scheduled, and a Lancashire Business View event was held recently at BartleHall.</p>	
<p><b>Housing and commercial construction and skills capacity</b></p>	<p>A <b>LEP Skills Hub</b> 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> <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 <b>Construction Hub</b> has also been established with one of its aims to build capacity within the local construction sector, including technical development.</p>	
<p><b>Various delivery risks identified by housebuilders.</b></p> <ul style="list-style-type: none"> <li>• This is the first year developers can no longer benefit from pre-CIL permissions so all developments are liable to CIL.</li> <li>• Site specific issues on key strategic sites</li> </ul>	<p>Feedback from house builders across the city deal area has identified a variety of potential delivery risks. It is proposed that DSDG will further evaluate and formulate appropriate responses to these risks as appropriate.</p>	



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- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"><li>• 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</li><li>• Developers desire to regulate the flow of new housing so as not to saturate the market</li><li>• Uncertainty over the Government CIL review, housing white paper and delivery of Affordable Housing</li><li>• On-going uncertainty as to the economic effect of Brexit.</li><li>• Availability of materials and significant skills/labour shortages</li><li>• Access to finance</li><li>• In some cases sites already under construction are reaching the less marketable areas of the site and therefore completions are slower</li></ul> |  |  |
|---|--|--|

## **Policy & Political risks**



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The housing market, particularly in relation to certain sectors of the market, will be more sensitive to developments and changes with Government policy which may have a bearing upon, for example, affordable housing, specific housing types and locations or the ability of different groups to enter the housing market.

The Resources Review Group will begin to examine some of these possible effects and how it may impact upon the housing build programme and sales.

<b>Risk</b>	<b>Mitigation</b>	<b>Update:</b>
New Homes Bonus/CIL/NNDR Policy change – risk of Government policy change may reduce resources	This risk will be managed through negotiation between 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 Resources Review.	Starter homes has been removed from mitigation action as is no longer a focus for HCA.
Political administration change	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.	



# APPENDIX 1

## Year 4 (April – Sept 2017 – 6 month Performance)



**CITY DEAL**  
Preston, South Ribble & Lancashire

### HOUSING

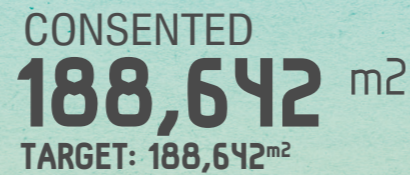
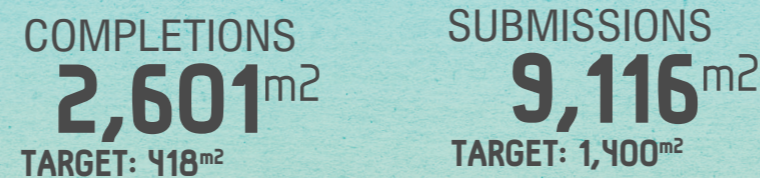


Construction is actively taking place on 32 sites.

#### HCA sites

- Submitted for planning permission = 1
- Granted planning permission = 0
- Where construction is actively taking place = 6
- Total number of units completed on HCA sites = 83

### COMMERCIAL FLOOR SPACE



#### NOTABLE PROGRESS:

- Red Scar – Phase 2 completed following strong occupation of Phase 1
- Preston East (Sector D) – commenced on site
- UCLAN Campus (Engineering Innovation College) – commenced on site
- South Rings employment site – commenced on site
- Horrocks development – Phase 2 complete



PUBLIC AND PRIVATE SECTOR INVESTMENT Combined total **£6.99m**



### INFRASTRUCTURE UPDATE

- Preston Western Distributor** – planning application approved.
- Penwortham Bypass** – planning application approved.
- Moss Side test track** – road infrastructure – masterplan approved by planning committee July 2017.
- Broughton Bypass** – James Towers Way – completed and opened on 5 October 2017.
- Landmark features – Iron Horse** – completed October 2017.

- #### LOOKING FORWARD:
- Hutton/Higher Penwortham/City Centre corridor** – the approval of planning permission for Penwortham Bypass sets a programme for the delivery of the local centre works. This programme is now reflected in the business plan.
  - Fishergate Central Gateway Phase 3** – detailed design work for this scheme is expected to be complete by the end of the year.

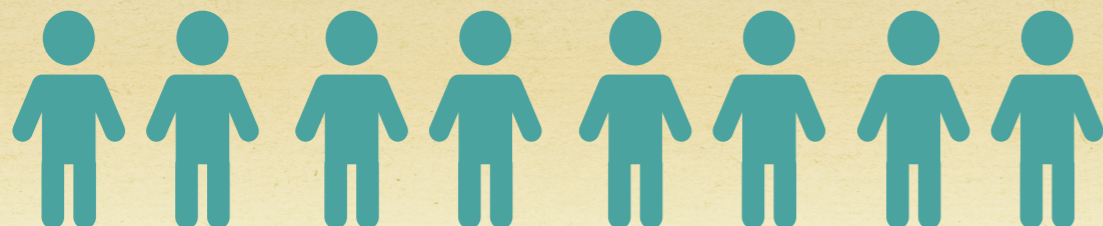


### JOBS

**60**  
JOBS associated with commercial floor space

**80**  
JOBS are associated with infrastructure projects

**95**  
JOBS created through business support activities



### SKILLS AND EMPLOYMENT



Output	Year 1 2013/14*	Year 2 2014/15*	Year 3 2015/16*	Year 4 2016/17*
16-24 year old residents of Preston and South Ribble who have started an apprenticeship in the construction sector	101	121	124	155
16-24 year old residents of Preston and South Ribble who have started an apprenticeship (excluding construction)	672	684	710	875

**760**  
Young People

**423**  
Parents

**105**  
Education Institutions

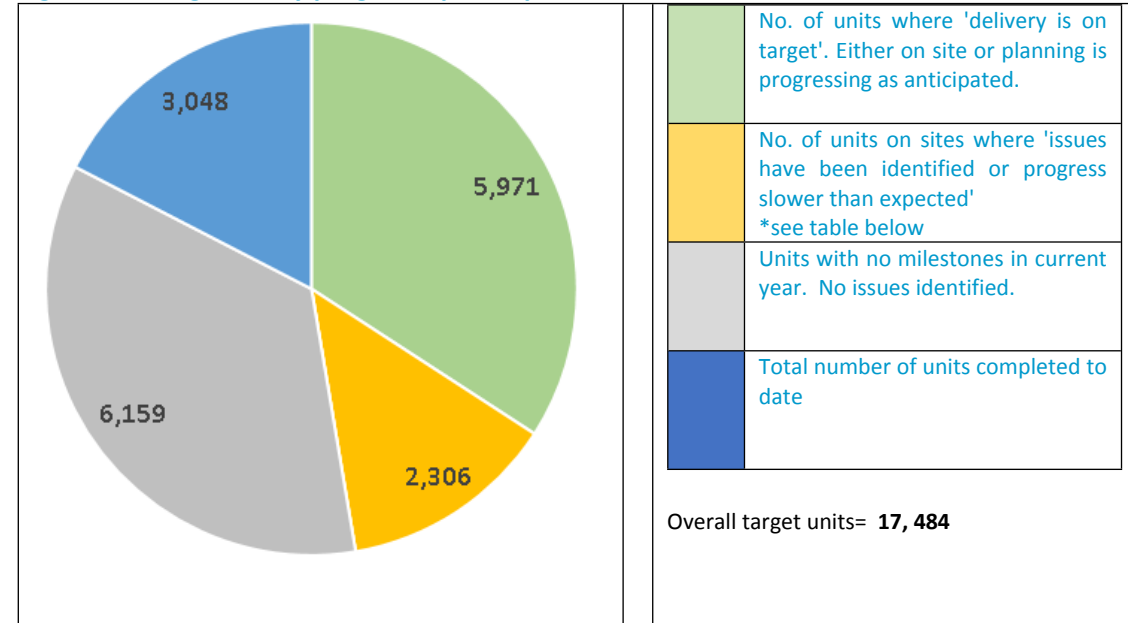
Took part in interventions/activities promoting City Deal and construction career opportunities during 2016/17 – see Employment and Skills dashboard for examples of activities and case studies.

Source: Preston's College, Runshaw College and T2000 ESFA data (\*) refers to academic year





Fig 1 - Housing delivery progress up to Sept 2017

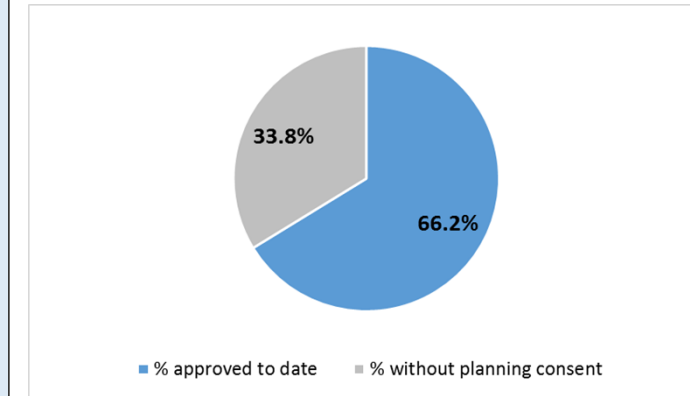


Units completed between 1 April – 30 Sept 2017 = 434 against a target of 503

Fig 3: Housing and Employment sites progressing well

District	Details	RAG
<b>HOUSING SITES</b>		
SR	The masterplan for Moss side Test Track was approved by planning in July 2017 and outline anticipated by the end of the year	●
PR	All NW Preston sites are progressing well, Haydock Grange is progressing particularly quickly and Eastway is also performing well.	●
SR	Altcar lane has gained outline planning permission and reserved matters submissions expected in the near future	●
SR	The southern end of the Croston Road site is progressing at pace and the HCA is looking at options to facilitate the delivery of the spine road on the northern section of the site.	●
<b>EMPLOYMENT SITES</b>		
PR	Red Scar – Phase 2 completed following strong occupation of Phase 1	●
PR	Preston East (Sector D) – commenced on site	●
PR	UCLAN Campus (Engineering Innovation College) – commenced on site	●
SR	South Rings employment site – commenced on site	●
PR	Horrocks Development – Phase 2 completed	●

Fig 4: Percentage of housing units with planning consent (outline or full)



100%=17,484

Units submitted for planning since April 2017 = 1115. (target 390)

Units consented since April 2017 = 1147 (target 400)

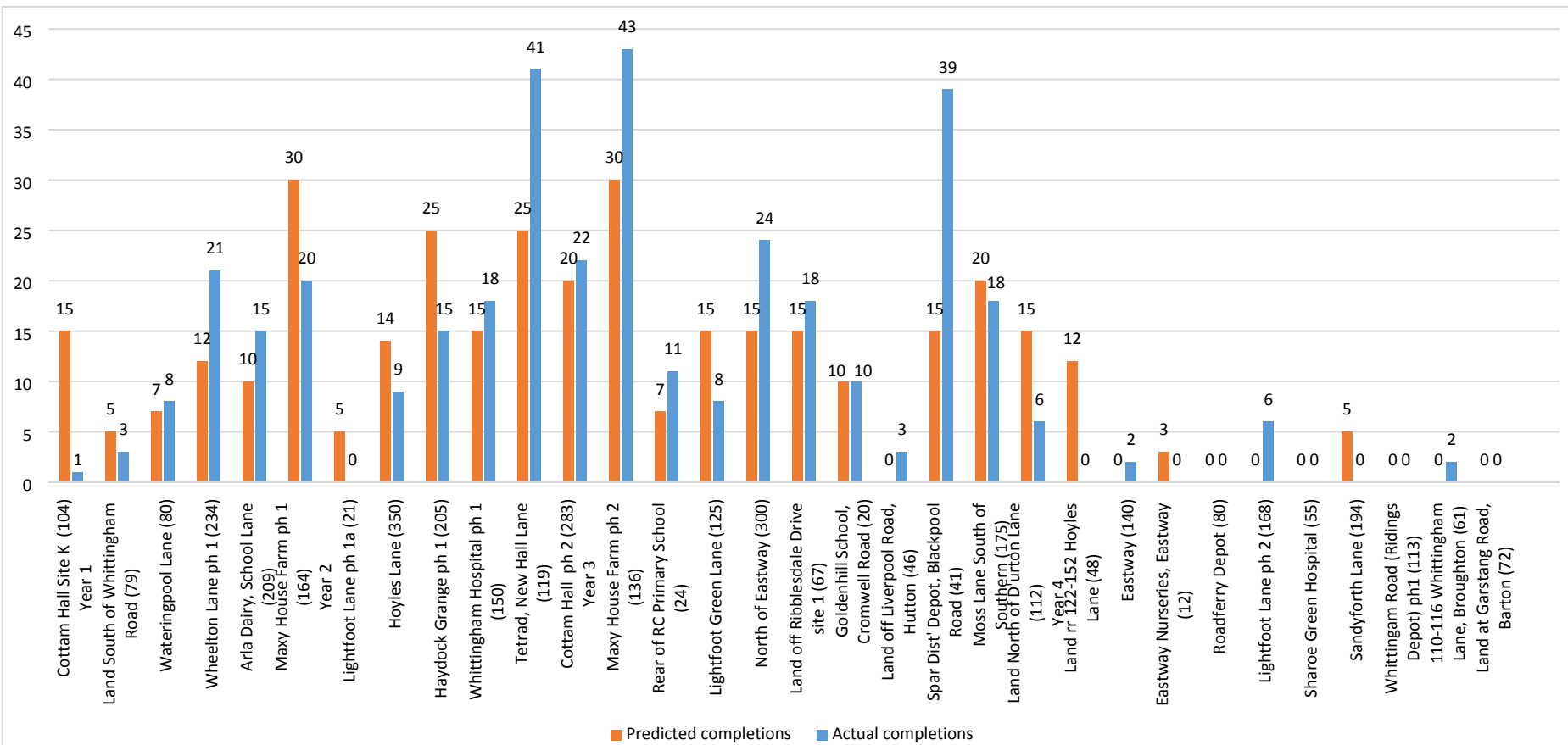
Fig 2: Housing and employment sites – sites identified as amber or red (issues and responses)

Site details and issues identified that could affect delivery
<b>Activities underway to mitigate risks and issues.</b>
<b>Housing</b>
<b>Pickerings Farm (1200 units):</b> This site remains in the pre-application stage. Although progressing slower than expected start on site is still proposed in year 7-2020/21. A site steering group in place for this site to facilitate delivery.
<b>Vernon Carus phases 1/2/3: (385 units)</b> Bovis is actively marketing this site therefore it is unlikely that discharge of permissions will take place in next 6 months as originally anticipated. Build is currently profiled to commence in year 5 2018/19. Site unlikely to deliver as anticipated.
<b>Mixed use – housing and employment</b>
<b>Whittingham Hospital (Ph2/3) (500 units + retail)</b> Viability concerns around this site. A new planning application is expected. Will affect agreed s106. LCC and PCC continue to work closely with HCA to progress matters
<b>Various small sites: * (total 209 units)</b> A number of smaller sites are not progressing as quickly as anticipated due to a variety of reason. Site constraints, no live planning permission or non-receipt of application. These sites continue to be monitored by planning officers and sites may need to be re-profiled if they do not progress.
<b>Employment</b>
<b>Cottam Hall Supermarket (Brickworks site) (6105sq m)</b> <b>Cottam Hall A3/A4/A5 (District Centre) (1380sq m)</b> <b>Cottam Hall - D1/D2 (2052sq m)</b> The site has planning consent, but works haven't commenced on site. All milestones for Cottam Brickworks Phase 1 have been pushed back by around 21 months. The project manager is in dialogue with HCA to progress next steps.
<b>Bluebell Way (LCC site) (5000sq m)</b> Disposal of this property has been delayed as it was remarketed and HOT are being negotiated with a new party. Construction milestones unknown at this stage but site remains attractive to the market and end users.
<b>Winckley Square – Phase 2 (Winckley Square) (sq m tbc)</b> Milestones related to College House, essential repairs have been undertaken but there is no known developer engagement.

The Development sites delivery group (DSDG) continue to monitor risks that are significant to City Deal and work with partners and developers to formulate appropriate responses.

\*Small sites (209 units) refer to the following: Cottam brickworks, Skeffington Rd/Castleton Rd, Shelley Rd/Wetheral St, Ashton Basin, Tulketh Brow, Land off School lane, Longton.

Fig 5: Housing sites currently under construction and delivery against targets (April-Sept 2017)



There are currently 32 housing sites under construction.

The table above shows the year that construction commenced and how sites have performed in the last six months against targets for the same period.



**Central Lancashire Construction Skills Hub Event**

The Central Lancashire Construction Skills Hub is a partnership between Preston's College, UCLan and a number of specialist construction training providers. The Hub held a skills event at Preston's College in July 2017 to:

- provide businesses in the central Lancashire area with a City Deal update,
- raise awareness and offer support in regards to apprenticeships, and
- Promote meeting social value outcomes via construction projects' in Central Lancashire.

Over 50 different organisations attended from Central Lancashire.



**Meet Marcus & Danny** **PRESTON'S COLLEGE**

**Two Chorley apprentices recently beat strong competition from across the region to take first and second place in the UK's largest multi-trade competition, SkillBuild.**

The pair were competing in the competition's regional heats against other tradespeople from across the North West in the Painting & Decorating category.

Marcus Crook, who works for JAY Decorators, took second place in his first year as an Apprentice while Redrow Level 3 Apprentice Danny O'Shea scooped first place on his third attempt.



**Marcus Crook**  
Level 2  
Apprentice in  
Painting &  
Decorating  
Employed by JAY  
Decorators



**Danny O'Shea**  
Level 3  
Apprentice in  
Painting &  
Decorating  
Employed by  
Redrow



**UCLan Masterplan Public Consultation**

During the pre-planning application period for the Student Centre and Square, UCLan conducted a variety of public consultations to explain the scheme, get public feedback and encourage the public to get involved in the Masterplan project. This included a children's corner with construction themed activities and free refreshments for all who attended. 90 members of the public attended these consultations, all leaving with a better understanding of the project and the construction works around it.



**STEMFirst 'Bridge the Gap' in City Deal schools**

In partnership with STEMFirst, and in response to school demand, the Skills Hub have developed the 'Bridge the Gap' game from the 2016 Lancashire Science Festival into a school based activity about City Deal and construction careers. The activity has been bought by businesses and post 16 education providers, such as Eric Wright, Preston's College and Future U, and they will deliver it in schools. There has been training for their staff and pilots in 5 schools with 122 young people have been delivered, with more organisations due to come on board in the coming weeks. The activity will be delivered in City Deal schools throughout 2017/18.



*"I really enjoyed the session and it has made me consider a job in STEM"*

**Apprenticeships**  
Professionals and Trainees

**Richard Askew**  
Transport Planner



Before joining the scheme, I completed the 4 Year Integrated Master of Town & Regional Planning (MPlan) at the University of Liverpool achieving First-Class Honours. I also undertook voluntary employment at a Local Authority in Merseyside and an Architecture & Planning Consultancy upon completion of my degree in order to gain experience in the profession.

The opportunity to focus the broad range of skills I gained from my first degree and specialise in a Transport Planning role whilst studying a second Master's Degree strongly influenced my decision to apply for the Programme. Crucially, however, was the opportunity to work within a multi-discipline Local Authority and gain a wide range of experience whilst serving the citizens and service users in Lancashire.

**"...the scheme felt like a natural stage in the progression between full time education and full time employment."**

I occupied placements in the Planning Strategy and Policy, Highways Development Control and Transport Planning Teams and was involved in a variety of projects. During my final placement I was given the responsibility of producing the West Lancashire Highways and Transport Masterplan. I envisaged and was confident that the experience I gained through these placements would lead me to secure a permanent position within the authority upon completion of my graduate trainee contact – which proved to be the case as I now work in the City Deal Delivery Team!

The opportunity to progress your academic knowledge whilst gaining invaluable experience in the profession, combined with additional training and the continuous support provided by managers and colleagues make the programme, and indeed Lancashire County Council, an excellent base to commence a long and successful career.



www.lancashire.gov.uk

**Appendix 3**

**CARDINAL NEWMAN COLLEGE STUDENT CASE STUDY**

**BECKY INGHAM**

Programme of Study: A Levels

- Maths
- Chemistry
- Biology

Grades: ABB  
Destination: BAE Apprenticeship

"Cardinal Newman had a lot to offer and there have been some fantastic opportunities that have helped me gain an Apprenticeship with BAE. I have enjoyed all my lessons and the teaching here is great. The destination was worth all the hard work!"

#WEARENEWMAN



**Conlon uclan**

**UCLan Masterplan stand at Conlon Site Tours at the Lancashire Science Festival**

The Masterplan team had a stand at the 2017 Lancashire Science Festival with construction themed giveaways and the 3D models of the campus and buildings to be constructed. The team were on hand to answer any questions from the parents and children who visited the stand throughout the day.

On Saturday 1 July as part of the Lancashire Science Festival weekend Conlon conducted site tours for festival goers. They took parents and children on tours of the Foster Social Space, explaining what was happening and then answering any questions about the construction of the building. The children were also visited by Charlie Conlon (the builder costume) and were given goodies to take away. Approximately 40 visitors took part in the site tours on the day.

**Increasing Construction Placements and Internships**

UCLan are working closely with Conlon to increase the number of students receiving placements and internships which should lead to more graduates being employed in Construction and Engineering roles. In January and February 2017 students and lecturers from UCLan's Foundation Year Building Surveying and Civil Engineering course had on-site lectures about building foundations, site processes and job roles. For some students it was their first time on a building site.

**Student Profile**

**James Maguire**

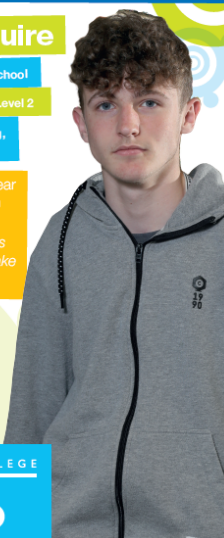
From: Christ the King High School

Apprenticeship: Engineering Level 2

Company: Pelann Engineering, Leyland

James is in his second year and is due to complete in 2020.

"This apprenticeship gives me the opportunity to make myself self-disciplined."



RUNSHAW COLLEGE



**Conlon uclan**

**UCLan and Conlon working with Darwen Aldridge Community Academy**

The students from the Academy spent several hours with Conlon Construction receiving hands on lectures for their course. These students are completing an accredited course in Design Engineering and Construction, which will lead them to a career in the construction industry. The students were guided around the site by Adam, the site manager, who introduced them to health and safety, site standards and the construction work that was taking place on site.



**National Careers Service Construction event for Teachers**

The Construction event on 12<sup>th</sup> July was hosted by BSRIA. The event featured presentations from the host organisation BSRIA, CITB and Eric Wright, a tour of BSRIA's new facilities at Walton Summit and a demonstration of the equipment.

The aim of the event was to challenge the preconceptions that teachers may have about the modern Construction industry and inform them of the career opportunities that exist for young people in the City Deal area.

Teachers attended and the following schools were presented Parklands, Southlands, Lostock Hall, St.Bede's Blackburn, Blackburn Royal Grammar School, Runshaw College, Ashton Community Science College, Ribblesdale High School, Preston's College, as well as Community Gateway and UCLAN.



## Infrastructure Delivery - Quarter 2 Jul-Sept 2017

## Appendix 4

This summary provides an overview of how the City Deal Programme has performed during quarter 2 – Jul-Sept 2017

### City Deal infrastructure delivery – Overview of progress against milestones for Quarter 2 – 2017/18

No.	REF	Scheme name	Q2	Forward RAG	Stage
1.	T01-02	Preston Western Distributor (PWD)		Red	Business case
2.	T01-03	East West Link Road (EWLR)		Red	Business case
3.	T01-04	Cottam Parkway		Green	Business case
4.	T03-01	Preston Bus Station – concrete repairs/car park		Green	On site
5.	T03-02	Preston Bus Station – refurb of concourse		Green	On site
6.	T03-04	Preston bus Station – on site highways works		Green	On site
7.	T03-08	Fishergate Central Gateway – Ph3		Green	Design
<b>8.</b>	<b>T04-01</b>	<b>Penwortham bypass</b>	Green	Yellow	<b>planning</b>
9.	T04-07	A582 Pope Lane roundabout		Green	On site
10	T04-08	A582 south Ribble Western Distributor dualling (SRWD)			No milestones
11	T04-09	Pickerings Farm Link Road			No milestones
<b>12</b>	<b>T04-10</b>	<b>New Ribble Crossing – feasibility study</b>	Green	Yellow	<b>underway</b>
<b>13</b>	<b>T05-03</b>	<b>Cuerden Strategic Site – road infrastructure</b>	Green	Yellow	<b>Planning</b>
14	T05-02	Moss Side Test Track – road infrastructure			Planning
<b>15</b>	<b>P01-01</b>	<b>Broughton/Fulwood (North of M55)</b>	Green	Yellow	<b>Planning</b>
16	P01-02	Broughton/Fulwood (South of M55)			masterplanning
17	P01-03	North West Preston/Cottam/Ingol/City Centre			masterplanning
18	P01-04	Warton to Preston Distributor			masterplanning
19	P02-01	Longridge/Grimsargh/Ribbleton/City Centre			masterplanning
20	P03-01a	PWD to Samesbury – New Hall Lane Local Centre (local centre)		Green	On site
21	P03-01b	PWD to Samesbury – New Hall Lane Local Centre (corridor)			masterplanning
<b>22</b>	<b>P03-02</b>	<b>City Transport Plan</b>	Green	Yellow	<b>underway</b>
23	P04-01	Hutton/Higher Penwortham/City Centre		Green	planning
24	P04-02	North of Lostock Lane			masterplanning
25	P05-01	South of Lostock Lane			masterplanning
26	P06-01	Bamber Bridge/City Centre		Yellow	On site
<b>27</b>	<b>NA03</b>	<b>Corridors master planning</b>	Green	Yellow	<b>underway</b>
28	C01-04	Lancaster Canal Towpath			Design
29	C01-05	Tom Benson Way			Design
<b>30</b>	<b>C01-01</b>	<b>Guild Wheel Upgrade Link – P1 Bluebell Way</b>	Yellow	Yellow	<b>Design</b>
<b>31</b>	<b>C01-02</b>	<b>Guild Wheel Upgrade Link – P2 Watery Lane</b>	Yellow	Yellow	<b>Design</b>
32	C02-01	Grimsargh Green		Yellow	Design
33	C03-04	East Cliff Cycle Link and Bridge			No milestones
34	C03-01	Preston bus station – Youth zone			No milestones
35	C03-05	Expanded City Cultural Development programme		Green	underway
<b>36</b>	<b>C05-01</b>	<b>St Catherine's Park – Phase 2</b>	Green	Yellow	<b>Design</b>
37	NA-02	City Deal Cycling and Walking Delivery Plan		Yellow	underway
38	NA-01	Leisure Development Plan		Green	underway
39	C05-06	Central Park Development Plan		Green	underway
40	T03-09	Fishergate winckley Sq – Ph 1 THI (Cannon Street)		Blue	complete
41	C04-02	Landmark Features – P3 Leyland Tractor		Blue	complete
42	T03-07	Fishergate central Gateway – Ph2		Blue	complete
43	C03-02	Fishergate Winckley Square – P2 Winckley Sq Gardens		Blue	complete
44	C03-03	East Cliff Cycle Hub		Blue	complete
45	T04-06	A582 Tank Roundabout		Blue	complete
46	T01-01	A6 Broughton Bypass		Blue	complete
<b>47</b>	<b>N/A</b>	<b>Preston bus Station – off site highways works</b>	Blue	Blue	<b>complete</b>
<b>48</b>	<b>C04-01</b>	<b>Landmark Features – P2 Iron Horse</b>	Blue	Blue	<b>complete</b>

Milestone met/on track = GREEN

Milestone not met/ uncertainty about funding/delivery options/future milestones but mitigating action being taken = AMBER

Milestone not met/risk to programme/delay = RED

Schemes with milestones in the previous quarter are shown in bold above.

### Project updates this quarter – Progress and movements in the programme:

**Broughton bypass:** Completed in October.

**Broughton/Fulwood corridor** – concept design was approved in September. Start on site programmed for year 5 Q1.

**Penwortham Bypass:** Planning application was determined in Q3, start on site scheduled for Q3. Whilst start on site will take place as anticipated the planning process has resulted in a revision to the detailed works schedule which means that effective start on the playing pitches will be later than originally planned. Taking account of the growing phase this now places completion in year 6 Q3 (instead of year 6 Q1)

**Hutton/Higher Penwortham/City Centre:** Approval of the planning permission for the bypass has now allowed the programme for the delivery of the local centre works to proceed towards planning and design.

**PWD to Samesbury** – New Hall Lane Centre – scheduled to complete in Q3 as planned.

**Cuerden Strategic Site Road Infrastructure** – The planning application was determined in Q2 as anticipated (subject to s106 agreed) – Design work is underway although start on site could slip into Q4.

**Fishergate 3** – The programme for this scheme has now been confirmed - start on site scheduled for Year 5, Q1.

**East Cliff cycle link and Bridge** – Currently awaiting final funding approval and agreement on land transfer, anticipated early in 2018. Work on the cycle link will follow this, current programme indicates Year 5 Q2.

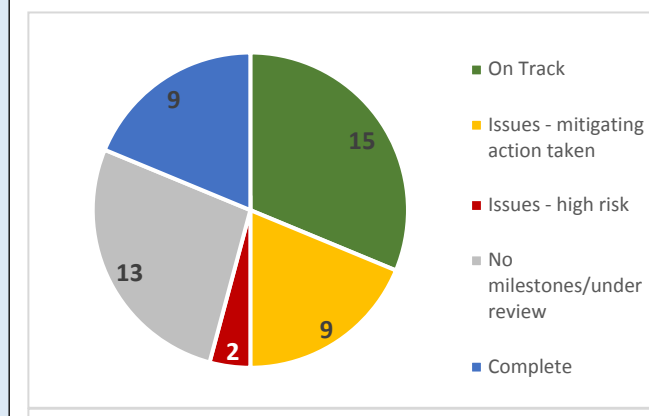
**Bamber Bridge/City Centre improvements** – Following a delay in materials delivery the scheme is now programmed for phase 2 to commence in Q4. As a result of the delay, completion is now anticipated in year 5, Q2, slightly later than previously reported.

### Key Implementation Issues:

**PWD and EWLR** – Officers are preparing a detailed report on these matters to be considered by Executive and Stewardship Board meeting in November 2017.

**Pickerings Farm Link Road** – No milestones this year but steering group in place with discussions ongoing with Network Rail regarding a new bridge over the WCML and the associated cost implications for the City Deal. A site steering group is in place for this site.

### Scheme status at 1 October 2017



### Other Project issues:

**Lancaster Canal Towpath and Tom Benson way** – Both schemes are closely linked and will be reviewed jointly in order to develop a single affordable scheme. A value engineering exercise is proposed following a financial challenge on a section 106 agreement. Officers will work with the Canals and Rivers Trust to develop an affordable scheme.

**City Transport plan and corridors master planning** – slight slippage to programme with outputs expected in Q4.

**Cycling and walking strategy** – slight slippage – outputs now Jan 2018

**Guild wheel upgrade** – Bluebell Way and Watery Lane - initial design over budget – currently being reviewed – slight delay to programme.

**Grimsargh Green** – awaiting member decision - delay to programme





## CITY DEAL

Preston, South Ribble & Lancashire

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

**Private and Confidential: No**

**Finance Update - Quarter 2 - July - September 2017**

(Appendix A refers)

**Report Authors:**

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#### **Executive Summary**

This report provides an update on the City Deal Infrastructure Delivery fund during Quarter 2; July – September 2017 and sets out the latest position going forward.

#### **Recommendation**

The City Deal Executive and Stewardship Board is asked to:

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

### **Background and Advice**

#### **YEAR 4, QUARTER 2 FINANCE MONITORING REPORT (attached)**

#### **Introduction**

The City Deal infrastructure delivery model ("the model") is a finance model showing the finance activity to date and expected within the City Deal. The model is split into two sections - resources being income to be received into the model from the various income streams and delivery programmes being expenditure paid or forecast to be paid on the infrastructure schemes. The City Deal is an accelerated delivery model based on the understanding that while the timing of resources coming into the model will be behind expenditure on schemes, requiring cash flow support from the County Council, there is an understanding and commitment of the partners to keep the model balanced.

It is recognised that the model is dynamic and that changes to the income and expenditure in the model will occur over time. This is sustainable subject to maximum cash flow approvals being in place and not being breached.



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## Key risks to the model

### Resources

Whilst most of the income to the model is fixed in commitment or capped amounts, the main risk (with the exclusion of changes to Government policy and how those might affect the model, which are being considered by the City Deal Executive and Stewardship Board) to the model in terms of income, is certainty of securing developer contributions in line with the expectations at the outset of the City Deal as noted above.

The total of these in the current model is £111.656m after building in increased rates and the modelling of those sites / units which will attract CIL and other contributions. Following interim findings of the Resources Review, undertaken by external consultants, £13.425m of this is now expected to come into the model in the “run-on” period of years 11-15, due to reported slippage in sites being brought forward for development. This also has an impact on the period of time that LCC will have to cash flow the City Deal over and the resulting finance charges incurred.

While there is more certainty with regard to the CIL element of developer contributions, within this total figure of £111.656m there is also £54.097m which relates to “other developer contributions”, previously referred to as CIL Plus, and which includes monies payable through, for example, section 106/ 278 agreements. It should be noted that to date £36.513m of these have already been secured leaving an amount of £17.584m still to be sought. This represents a risk to the model remaining in balance as should these not be secured, expenditure and resource forecasts will not remain aligned. The issues relating to the agreed s106/s278 monies and the linking to delivery of schemes is addressed below and is the subject of ongoing work. There is also the risk that a renegotiation of a planning application for a key site which is reporting a secured s106 agreement will not realise as much income to the model once the new application is factored. Work is ongoing to understand the effect on the model of the suggested new application.

There are also changes to government policies proposed relating to CIL, NHB and business rates along with a housing white paper – all of which have the potential to undermine the assumptions currently in the model. These have been considered in the Resources Review work. To date only the NHB changes have been confirmed. In short the changes are from 2018/19 for NHB being paid for 4 years instead of 6 per house. The impact on the current 10 year model would be c£9m with no mitigation. Over a 15 year period with the NHB reduction, the model would continue to be adversely impacted.

### Expenditure

All agreed expenditure changes and slippages have been included in the model and items to be agreed at this meeting will be reflected in future models once agreed.





# CITY DEAL

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The Executive and Stewardship Board considered, at its September 2017 meeting, a report outlining current estimates for PWD and EWLR and a report on this item appears elsewhere on this agenda. The current IDF position does not reflect revised PWD cost estimates or mitigation of meeting these costs to ensure the model remains balanced and within the maximum allowed cash flow position.

Scheme estimates set out in the model continue to be refined and tested as schemes are subject to detailed design, preparation of cost estimates and tendering prior to implementation. The Infrastructure Delivery Steering Group has a process in place to ensure that final costs are scrutinised prior to approval and schemes are fully funded prior to implementation.

It should be noted that the expenditure lines are indicative budgets allocations only – the amount needed and available for each scheme as it comes forward will depend on the dynamics of the model at the time in terms of funding secured and expected, along with competing priorities from other schemes. There is no guarantee that all allocations can be fulfilled if the income to the model is not forthcoming.

## **Position of the model as at 30<sup>th</sup> September 2017**

The model as at Quarter 2 2017-18 is appended to this report.

The model is currently showing a projected surplus over the city deal period of £3.478m, compared to a position at 30<sup>th</sup> June 2017 of £0.126m surplus.

The changes to income relate to changes in the forecasts in housing numbers and known income from a site being more than was anticipated from that site following planning approval (£3.422m additional income to the model) and increased costs for the modelling work being undertaken (£0.070m additional cost to the model)

There is a currently reported funding gap on one scheme which is being considered later in the agenda of this meeting, this is not reflected in the model at the moment and represents a risk without mitigation that the model breaches the maximum allowed cash flow and / or the model forecasts a deficit position. This risk will need to be mitigated by measures agreed by the executive.

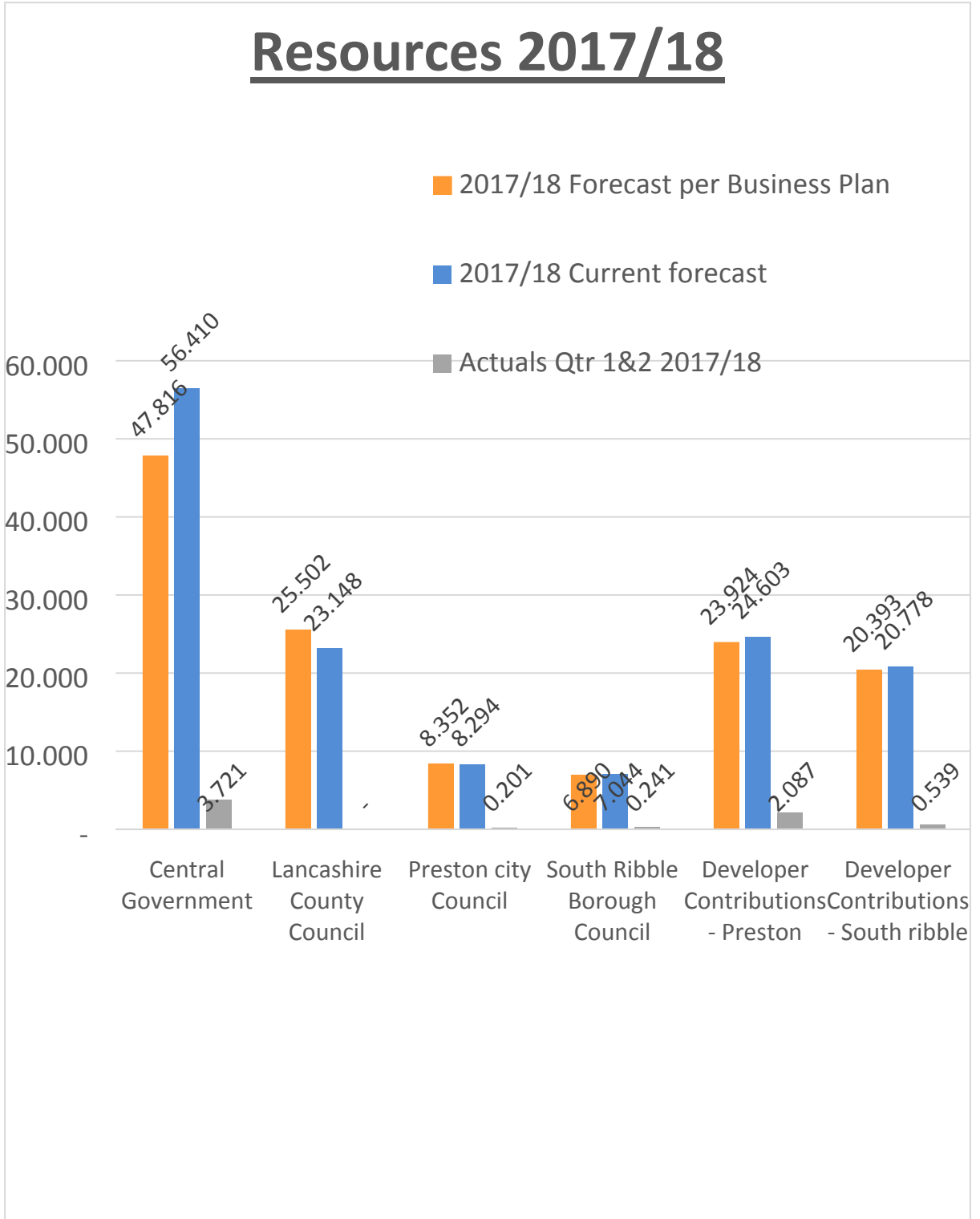
Comparing 2017/18 forecast outturn against those planned as per the business plan 2017-20 shows the graphs below. However these are subject to change following the completion of work as detailed in sections 1.9.1



# CITY DEAL

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## 2017/18 Resources

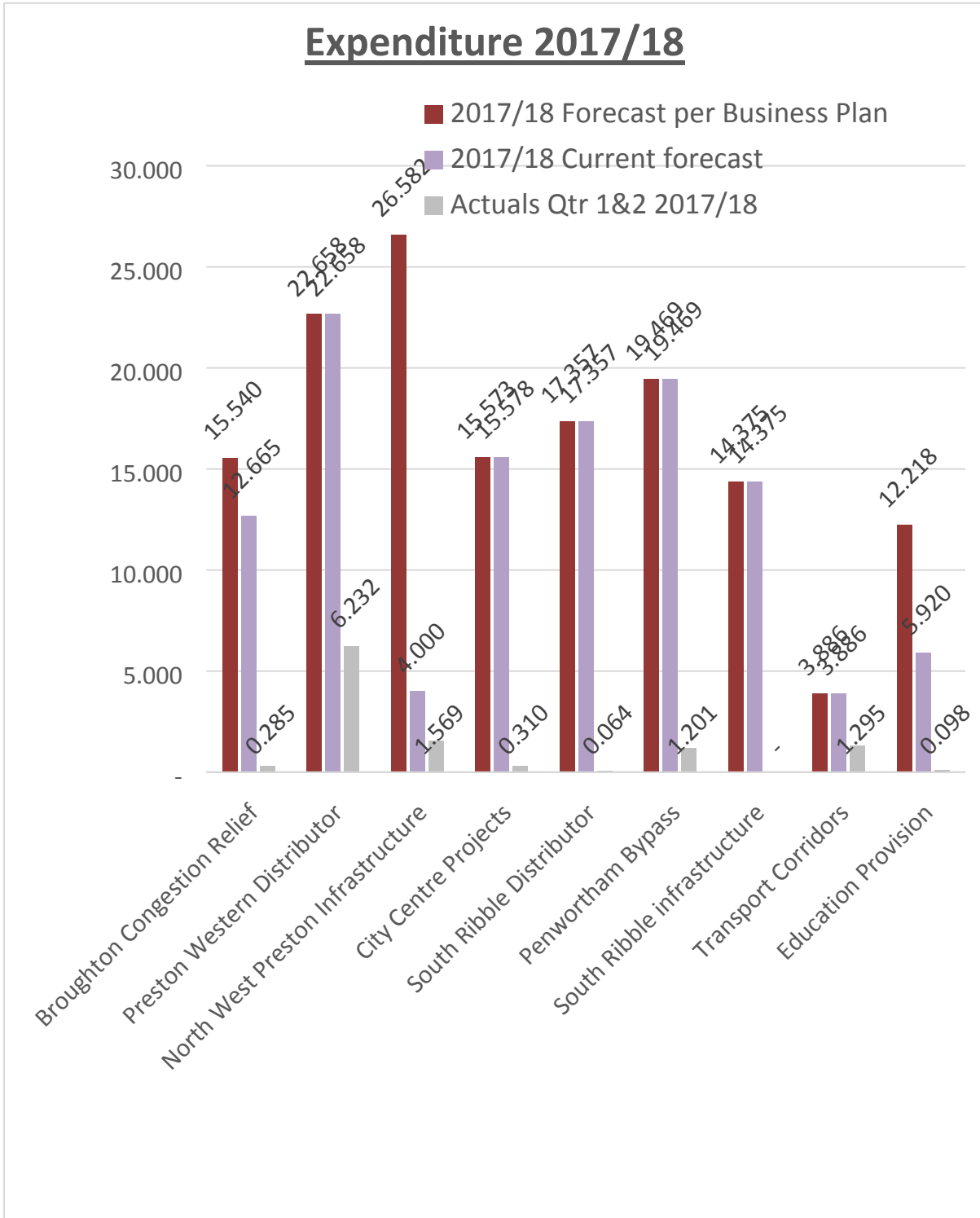




# CITY DEAL

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## 2017/18 Expenditure



NB . Movements from business plan (unless reported elsewhere in the report as permanent change in the model) represent movements between years.



# CITY DEAL

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## **Key issues raised by 30<sup>th</sup> September 2017**

As part of the Resources Review, Keppie Massie are advising on the assumptions made at the outset of the Deal with specific regard to the “other developer contributions” stream which includes s106 payments.

The partners continue to work together to ensure there is a shared and common interpretation of the binding Heads of Terms which require the partners to maximise the value of developer contributions being collected and paid into the fund, and to identify additional housing sites within the area. Work is underway to quantify the amount of additional developer contributions collected to date against that forecast as well as capture the projects being delivered by the funding, as part of the City Deal Infrastructure Delivery Plan.





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# Agenda Item 15

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