



CITY DEAL

Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal Stewardship Board

Minutes of the Meeting held on Friday, 17th July, 2015 at 2.00 pm at the Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston

Present

Mr K Tupling (Chair)

Ms L Norris
Mr M Nuttall

Ms J Turton
Mr J Carter

Observers

County Councillor J Mein
Councillor P Rankin
Councillor M Smith
Dr M McVicar
County Councillor C Crompton
County Councillor K Sedgewick
County Councillor B Yates

In Attendance

Ms J Ainsworth, Lancashire County Council
Mr A Barrow, Lancashire County Council
Ms C Hall, Homes and Community Agency
Mr M Hudson, Lancashire County Council
Ms B Joyce, Head of Strategic Development, Lancashire County Council
Mr A Milroy, Company Services Officer, Lancashire County Council
Ms S Procter, Lancashire County Council
Mr S Sage, Homes and Community Agency
Mr T Seamans, Head of Communications, Lancashire County Council
Mr E Sutton, Lancashire County Council

1. Welcome and Apologies for Absence

The Chair, Mr K Tupling, welcomed all to the meeting. It was noted that County Councillor's Barrie Yates, Keith Sedgewick and Carl Crompton were attending the meeting as observers. The Stewardship Board agreed that they could be present for the duration of the meeting.

There were no apologies for absence, all Stewardship Board members were recorded as present.

2. Minutes of the Stewardship Board / Executive meetings held on 13th February 2015

It was noted that the minutes were marked in error that they were private and confidential, it was agreed that the clerk would correct this error.

Resolved: That the minutes of the meeting held on 13th February 2015 be approved as an accurate record and signed by the Chair.

3. Matters Arising

None

4. Declarations of Interest

None

5. Governance Arrangements - Combined Meetings

Mr J Carter introduced a report (circulated) setting out the governance arrangements for the combined meetings of the Stewardship Board and Executive. Mr A Milroy added that the document formally set out the arrangements that were agreed verbally at the last meeting.

Resolved: That the combined meeting Governance Arrangements as set out be approved.

6. Monitoring Update

Mr K Tupling, Homes and Communities Agency, introduced a report (circulated) which provided an update on the City Deal Monitoring Framework and the work being carried out by Local Partners in completing the 10 year output targets and the 2014/15 Annual Monitoring Report to be included in the City Deal Monitoring Return to Government. It was reported that this work was in addition to the quarterly progress reporting carried out as part of the implementation of the Infrastructure Delivery Plan.

It was reported that Government has confirmed that City Deals will now be required to report quarterly on the Core Metrics. This will be via a standard Information Management System (IMS) which Government will use to capture information on all Lancashire Enterprise Partnership (LEP) initiatives. Lancashire County Council, as accountable body for the LEP, is currently part of a pilot programme to test the IMS. This will supplement the monthly qualitative progress reporting.

The City Deal Monitoring Group has developed a consistent approach to the

preparation of the Monitoring Return which will measure output performance against the agreed baseline targets as set out in the report.

The Board thanked the Monitoring Group for their work in preparing the information presented.

Resolved: The Stewardship Board Members:

- (i) Noted the requirement to submit a City Deal Monitoring Report to Government on a quarterly basis;
- (ii) Considered the impact of the quarterly monitoring obligation on the previously agreed monitoring and reporting arrangements, and endorsed the reporting arrangements as set out in the report;
- (iii) Agreed that the Stewardship Board Terms of Reference be reviewed to reflect Government's monitoring reporting requirements;
- (iv) Recommended that the Monitoring Group prepare costed options to support the preparation of additional (quarterly) monitoring requirements;
- (v) Recommended that the Monitoring Group are tasked with developing additional output metrics that provide a wider perspective of the local investment and job contribution provided by the City Deal infrastructure programme;
- (vi) Recommended that the output metrics include a report on the Pension Fund investment contribution; and
- (vii) Agreed that the full Monitoring Reports based upon the data and commentary included within this report be submitted to the Lancashire Enterprise Partnership Board.

7. Preston, South Ribble and Lancashire City Deal: HCA Business Disposal Plan (BDP) Years 2, 3 and 4 - 2015-2018

Mr K Tupling introduced a report (circulated) that presented the Homes and Communities Agency (HCA) Business Disposal Plan (BDP) for the three year period from 2015 to 2018.

It was reported that the plan had moved from a one to a three year Plan. The Plan has been considered by the HCA Board who were supportive of the Plan and the City Deal and will ensure that the HCA follows through on its obligations.

Mr S Sage, HCA, explained that the report presented sought approval to the new BDP and that the revised BDP included key delivery milestones for the period 2015-2018 and a more detailed financial section focusing on the forecasted receipts and loan / grant payments that are to be made to LCC over the life time of the Deal.

Resolved: The Stewardship Board –

- (i) Noted the content of this report and the progress made in year 1, and
- (ii) Approved the HCA Business Disposal Plan (BDP) 2015-2018 as set out in the report.

8. Preston, South Ribble and Lancashire City Deal: HCA Progress Report (Quarter 4, Year 1 and Quarter 1, Year 2)

Mr S Sage, HCA, presented a report (circulated) which provided an update on the progress made on the HCA land portfolio since the last Stewardship Board / Executive meeting held on 13th February 2015, and specifically reported on Quarter 4, Year 1 and Quarter 1, Year 2 progress.

It was reported that the land portfolio was performing well, in particular there was very good progress on Cottam Hall, with circa £4m Section 106 monies being paid to Preston City Council (PCC) and Lancashire County Council (LCC) in March 2015. Further to this the Conditional Legal Agreement for Cottam Hall Phase 2 was completed, which was an important milestone and a significant achievement made before the end of year 1 (2014/15). Prior to this the developer submitted the reserved matters application for Phase 2. This was to be presented at the planning committee on 9th July 2015.

Positive progress has been made at Whittingham Hospital with developers commencing on Phase 1 of the site. This is a key milestone as this site has faced a number of challenges.

An overall site by site summary was presented in the circulated report which indicated to the Stewardship Board and Executive that the all projects were currently on track.

Resolved: The Stewardship Board and the Executive noted the content of the report and the progress made in the delivery of the HCA land assets in quarter 4 year 1 and quarter 1 year 2.

9. General Update

Mr E Sutton, Director of Development and Corporate Services, Lancashire County Council presented a report (circulated) that provided the Stewardship Board and Executive with an update on the Employment and Skills Plan and the appointment of a consultant to provide professional services in appraising commercial market viability and negotiation of financial contributions (CIL Negotiator).

Members were reminded that the February meeting of the City Deal Executive and Stewardship Board received an update on the preparation of the City Deal Skills and Employment Strategy. Further to that, the Brief was agreed and put out to the tender. Tenders were received and evaluated by a working group, comprising colleagues from the HCA, Preston City Council, South Ribble

Borough Council and the LEP Skills Board. Following this evaluation process Ekosgen have been approved. The estimated work programme is of a three month duration.

Mr Sutton advised that the Chair of the LEP Skills Board, Ms Amanda Melton, would be invited to the next meeting of the Stewardship Board / Executive to report on progress made.

Mr M Hudson, Development Management, Planning and Environment, Lancashire County Council provided an update on the appointment of a consultant to provide professional services in appraising commercial market viability.

It was reported that the City Deal financial model contains an income stream to come from developer contributions, which will be secured and paid through a Community Infrastructure Levy (CIL) arrangements and Section 106 and Section 278 agreements.

This amount, approximately £90 million, is expected to comprise monies collected under CIL and other developer contributions secured for major development site infrastructure under s106 and s278 agreements or otherwise provided directly by the developer as part of the consented built scheme.

At its meeting in April 2014, the City Deal Executive endorsed the proposal to secure an additional resource and optimise the CIL and other developer contributions included in the Infrastructure Delivery Fund.

Following a soft market testing exercise in late summer 2014, an invitation to tender in early February, 2015 took place, followed by an evaluation exercise during March 2015. The preferred consultancy Keppie Massie was appointed, an establish firm of surveyors and property consultants whose services include the more traditional surveying and valuation fields, together with more specialist and diverse expertise in regeneration and strategic development. The firm demonstrated to the evaluation panel's satisfaction a thorough knowledge and extensive experience of the activities required as well as providing detailed recent examples in the local area.

The Framework Agreement commenced in May 2015 and runs until 30th April 2018, but may be extended for a further year, up to a maximum duration of four years. Updates on this important aspect of work will be brought to future meetings of the City Deal Executive / Stewardship Board.

The Executive and Stewardship Board welcomed the appointment of Keppie Massie and looked forward to receiving updates at future meetings of the Executive / Stewardship Board.

Resolved: The City Deal Executive and Stewardship Board noted the report as presented.

10. City Deal Implementation Update

Mr M Hudson presented a report (circulated) which provided the Executive and Stewardship Board with an update on the delivery and implementation for the City Deal, including a Year 1, Quarter 4 Project Status Report and Year 1, Quarter 4 Monitoring Report.

It was highlighted that in the circulated report all schemes and developments that have a blue colour for their RAG rating have been completed. It was reported that a number of schemes had been completed ahead of schedule with good overall progress reported on all schemes.

The Stewardship Board and Executive thanked officers for their work, and in particular, on the schemes that had been completed ahead of schedule.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Noted and commented on the progress made on delivering the City Deal Infrastructure Delivery Plan during Year One, Quarter Four and for Year One as a whole; and
- (ii) Noted the City Deal 2014/15 Quarter Four Finance Monitoring Report.

11. Community Infrastructure Update

Ms L Norris, Chief Executive, Preston City Council presented a report (circulated) regarding the delivery of Community Infrastructure in support of development and growth under the City Deal.

It was highlighted that the report set out the scale and range of the delivery of Community Infrastructure to support new housing and business growth which has received a considerable amount of attention at all levels within the City Deal governance and delivery structures. This has been prompted, in part, by the recommendations set out within the AECOM report (City Deal Preston, South Ribble and Lancashire, Community Infrastructure Position Statement Final Report, March 2015), which concludes that the City Deal partners have considerable work to do in order that informed decisions on the type, amount and location of new Community Infrastructure. In addition, the report raises the very real prospect that the cost of this Infrastructure will outstrip funding and so partners will need to come together to determine priorities.

It was recommended that going forward the management of the CIP be reviewed in light of the recommendations in the first version. The following improvements, from the refreshed CIP working group, were recommended:

- An annual programme of CIP works, linked to an annual budget and review, is proposed. This provides better management and allows the CIP to link into the IDP and City Deal governance and reporting arrangements.
- The annual programme will address the wide range of sectors that have been identified in the first version of the CIP on a rolling basis until all

thematic areas have been addressed. A partnership approach to engagement is to be developed.

- In the longer term it is proposed that a three year programme be developed to mirror the City Deal IDP and financial plan.
- In line with the above, it is proposed the first year budget of £50,000 be allocated to allow the population and housing research identified in CIPv1 to be commissioned. In addition the Working Group has identified a Sustainability Appraisal is required for City Deal going forward. A model to inform local partners decision making, such as Health and Education sectors, of changes to the local population is to be developed.
- The Working Group proposes that the first year prioritises engaging Health and Social Services/Housing providers to ensure they are prepared to the changes and opportunities that City Deal will bring.

Resolved: The City Deal Executive and Stewardship Board:

- (i) Noted the report.
- (ii) Endorsed the approach, and in doing so, agreed that officers undertake the Demographic Modelling which will inform the decisions around the sequencing of Community Infrastructure.
- (iii) Approved, in principle, the Existing Community Infrastructure (Phase 1) subject to the City Deal partners providing further detailed information; and
- (iv) Agreed that the Community Infrastructure Phase 2 be delivered under the following four headings:
 - a. Health and Social Care
 - b. Education
 - c. Leisure and Culture
 - d. Community Infrastructure Improvements

12. Infrastructure Delivery Plan 2015 - 2018 Update

The Chair of the Executive, Mr J Carter, provided an overview of a report (circulated) which provided an update on the Infrastructure Delivery Plan for the period 2015 to 2018 and presented a final draft of the Plan to the Stewardship Board and Executive for approval.

Mr A Barrow, Programme Manager, Lancashire County Council provided background information regarding the Plan and explained that the annual production of an IDP is a requirement set out in the City Deal Delivery and Implementation Plan (DIP). The first City Deal Infrastructure Delivery Plan (IDP) was presented to and approved by the City Deal Executive on 25 April 2014. That Plan set out the delivery programme for all agreed strategic highway and physical community infrastructure as well as housing and employment site activity, to be delivered in Year 1 of the City Deal during 2014/15.

Officers across the City Deal Partnership have worked closely in drafting the

three year infrastructure delivery milestones for 2015/18 to ensure an affordable and deliverable programme of work and one which aligns with the Business and Disposal Plan.

Executive members highlighted some minor changes required to the Plan, namely a change to the description of the Penwortham Bypass project, reference to new bridges across the Ribble and sough clarification to some of the timescales contained within the Plan. Officers agreed to incorporate the suggested amendments into the final version of the Plan.

Resolved:

The City Deal Executive approved, subject to the incorporation of the minor amendment discussed, publication of the 2015/18 Infrastructure Delivery Plan.

The Stewardship Board received the 2015/18 Infrastructure Delivery Plan and noted that its contents inform the development of the annual City Deal Business and Disposal Plan.

13. Communications Update

Mr T Seamans, Head of Service Communications, Lancashire County Council presented a report (circulated) which gave an update on City Deal Communications work.

It was reported that the last quarter has seen a number of milestones for public information, communication and consultation, activities have included:

- Consultation on the next phase of widening the A582.
- Consultation on the key corridor schemes for Bamber Bridge and New Hall Lane.
- Communicating the outcome of the consultation on the route of the Penwortham bypass.
- Communicating the completion of works on the northern section of the A582
- Pre-consultation with key stakeholders on improvements in Broughton village associated with the bypass scheme.

Mr Seamans also presented a series of videos that have been used to promote the City Deal, including time laps videos of the A582 widening work and fly over videos showing proposed routes for Broughton bypass. Work has also been done on an animated video describing the City Deal vision which is now at final production stage. A demonstration video was shown to the members present.

Resolved: The City Deal Executive and Stewardship Board are noted the report and presentation regarding the City Deal Communications work.

15. Any Other Business

Mr K Tupling informed the Stewardship Board that there may be an opportunity to acquire a site that has stalled. Mr Tupling sought authorisation from the Stewardship Board to move forward with the purchase should the opportunity arise.

Resolved: The Stewardship Board approved that the purchase can be made should the opportunity arise.

Mr J Carter advised both the Stewardship Board and the Executive that the Chairs of the Stewardship Board and Executive would prepare a joint briefing update after each meeting which will be circulated to LEP Directors for information and to update on the work of both bodies.

16. Date of Next Meeting

It was noted that the next Combined City Deal Executive / Stewardship Board meetings would be held in September or October 2015 on a date to be arranged.