



CITY DEAL

Preston, South Ribble & Lancashire

Preston, South Ribble and Lancashire City Deal Stewardship Board

Minutes of the Meeting held on Wednesday, 22nd June, 2016 at 3.00 pm at the Cabinet Room 'D' - The Henry Bolingbroke Room, County Hall, Preston

Present

Jim Carter (Chair)

Danielle Gillespie
Eddie Sutton

Lorraine Norris
Mike Nuttall

In Attendance

County Councillor Jennifer Mein, Leader - Lancashire County Council
Councillor Peter Rankin, Leader - Preston City Council
Councillor Margaret Smith, Leader - South Ribble Borough Council
Jo Ainsworth, Specialist Advisor: Finance, Lancashire County Council
Beckie Joyce, Head of Strategic Development, Lancashire County Council
Sue Procter, Director Programmes and Project Management, Lancashire County Council
Stuart Sage, Homes and Community Agency
Tim Seamans, Head of Communications, Lancashire County Council

Observers

Michael Ahern, Chief Operating Officer, University of Central Lancashire
Professor Mike Thomas, Vice Chancellor, University of Central Lancashire
Councillor Cliff Hughes, South Ribble Borough Council
Councillor Phil Smith, South Ribble Borough Council

1. Welcome and Apologies for Absence

The Chair, Jim Carter, welcomed all to the meeting in particular Professor Mike Thomas and Michael Ahern, Chief Operating Officer (both from the University of Central Lancashire) who were attending their first City Deal meeting as Observers. It was also noted that Councillor's Phil Smith and Cliff Hughes (both South Ribble Borough Council) were in attendance as Observers, it was agreed that both Observers could remain for the Part I section of the meeting.

Apologies for absence were presented from Jo Turton (Lancashire County Council) with Eddie Sutton in attendance as her nominee and from Deborah McLaughlin (HCA) with Danielle Gillespie in attendance as her nominee. Apologies were also noted from Malcolm McVicar.

2. Presentation - Flood Risk in CD Area - Environment Agency, Andy Brown

Andy Brown, Environment Agency, gave a presentation on the flood defence scheme in the Preston and South Ribble City Deal area.

The presentation contained an overview of the previous severe floods that affected the North West region in Winter 2015 and highlighted measures that have been taken to get affected communities back to normal and steps taken to mitigate against future flooding of the same scale.

The presentation also contained a video which showed the effect that a 1 in 75 year event plus climate change would have specifically in the City Deal area, and showed the City Deal Members what would happen in this event if the River Ribble was to flood.

It was reported that there are several options to try and prepare for a 1 in 75 year event, including building new walls and embankments to give a standard of protection that would withstand a 1 in 75 year event. Public consultation is yet to take place but the Environment Agency is progressing this as an option and is seeing contributions from partners to meet a funding shortfall.

The benefits of the scheme were highlighted to City Deal Members with the City Deal Executive and Stewardship Board in agreement that the scheme was important.

Resolved: The City Deal Stewardship Board and Executive noted the City Deal Flood Risk presentation and thanked Andy Brown for his attendance.

3. Minutes of the Special Meetings of the City Deal Executive and Stewardship Board held on 11th May 2016

Resolved: That the minutes of the City Deal Executive and Stewardship Board meetings held on 11th May 2016 be approved as an accurate record and signed by the Chairs.

4. Matters Arising

None

5. Declarations of Interest

None

6. HCA Update (Verbal Report)

Stuart Sage and Danielle Gillespie, Homes and Communities Agency (HCA), gave a verbal update on the progress of the HCA sites.

It was reported that the first HCA grant payment of £500k was made during June 2016 (on the Monday after the City Deal meeting held on 22 June). In addition, further updates were provided as follows:

- In relation to the Preston East Site – This is at expressions of interest stage.
- Work has started on site on Croston Road South.
- There was a brief update about Starter Holmes Programme and brownfield land.
- A report will be provided to the next meeting on relevant HCA programmes.

Resolved: The City Deal Stewardship Board and Executive noted the HCA Update.

7. City Deal Programme: End of Year Review

Beckie Joyce, Head of Service Strategic Economic Development, Lancashire County Council, presented a report (circulated) which provided an end of year review for the Preston, South Ribble and Lancashire City Deal Programme.

The report presented highlighted progress against targets which are also used to report to Government progress towards agreed targets up to the end of March 2016. The report contained core output results for Housing, Commercial Floorspace, Jobs and Private Sector Investment.

It was agreed that it would be useful to take a report on the City Deal End of Year Review to each of the three member Councils to be considered / approved through their formal decision making process.

Resolved: That

- (i) The City Deal Programme: End of Year Review 2015 / 16 be noted as presented, and;
- (ii) That it be presented to each of the three member Councils to be considered / approved through their formal decision making process.

8. End of Year Finance Report 15/16

Jo Ainsworth, Subject Matter Expert / Specialist Advisor Finance, Programme Office, Lancashire County Council presented a report (circulated) which contained a year end financial statement for 2015 / 16.

It was reported that the City Deal is an accelerated delivery model based on the understanding that whilst the timing of resources coming into the model will be behind expenditure on schemes, requiring cash flow support from the County Council, there is a commitment of the partners to keep the model balanced.

The model currently shows a projected surplus City Deal period of £1.408m compared to a position as reported in the 2015 – 18 Infrastructure Delivery Plan of a deficit of £6.357m.

In addition it was reported that for 2015 / 16 actual net resources in the year were £4.825m compared to forecast net resources of £4.290m, a positive change of £0.535m for the year which reflected changes in profiling of items such as income from Growth Deal and County Council Capital Programme monies, resources due in from developer contributions on housing sites, advancement of expenditure on schemes such as the A582 roundabouts / dualling works and other minor scheme profile changes. It was reported that the finances were on track and the Infrastructure Delivery Steering Group has approved a process to ensure that final costs are approved and schemes are fully funded prior to implementation.

Resolved: The City Deal Stewardship Board and Executive noted the Year End Finance Report for 2015 / 16.

9. Business and Delivery Plan 2016 / 19 Including Future Monitoring Arrangements

Beckie Joyce presented a report (circulated) which presented the City Deal Business and Delivery Plan 2016 – 19 and future monitoring arrangements.

Approval was sought from the City Deal Executive and Stewardship Board to retain the draft Business and Delivery Plan (previously presented to the March 2016 City Deal meeting) as an interim Plan, pending the outcome of discussions with Government on the impact of national policy changes and the delivery of the City Deal going forward.

City Deal Members expressed a view that as much information as possible should be made available to the public and requested that officers review if parts of the Plan can be published at this stage.

Resolved: The City Deal Stewardship Board and Executive

- (i) Requested that a Draft Business and Delivery Plan 2016-19, for publication, be presented at the next meeting, and ;

- (ii) Approved the proposed future monitoring arrangements/frequency as set out in the report.

10. Communications Update

Tim Seamans, Head of Communications, Lancashire County Council presented a report (circulated) which updated the Executive and Stewardship Board on recent communications activity.

Member commented that it was pleasing to see activities other than road infrastructure, such as the Preston Markets Quarter and Preston Youth Zone / Bus Station developments now progressing and included in the communications report.

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

11. Proposed New Scheme Approval Process

Beckie Joyce presented a report (circulated) regarding a New Scheme approval process for sign off.

It was reported that the proposed New Scheme arrangements were designed to make the process for the Executive and Stewardship Board to consider and approve any new / additional scheme prior to inclusion in the Business and Delivery Plan more efficient.

It was explained that the City Deal Business and Delivery Plan is approved annually by the Executive and Stewardship Board and sets out the full range of City Deal schemes and activities to be delivered. The schemes described in the plan are approved 'in principle' within a funding envelope, subject to final design and budget approval from the City Deal Infrastructure Delivery Steering Group (IDSG).

It is possible for new (funded) schemes to emerge mid-year and in order to avoid a situation where schemes are delayed until the next business planning stage, the need for a new process of approval has been identified. The proposed process will allow the Executive and Stewardship Board to consider and approve new schemes as they emerge.

Resolved: The City Deal Executive and Stewardship Board approved the proposed new scheme approval process and template to be used for all new City Deal Schemes, and, that the process be reviewed in 12 months time.

12. Preston Bus Station and Youth Zone

Eddie Sutton, Director of Development and Corporate Services, Lancashire County Council presented a report (circulated) which updated City Deal Members on the Preston Bus Station and Youth Zone development.

It was reported that the opening City Deal model (2013) set out circa £8M from the County Council's Capital Programme be allocated for the Bus Station project. In July 2015 the County Council agreed to allocate a further £7M from its reserves for the Bus Station project. The Youth Zone, Public Realm and highway improvements will see a further investment of circa £8M provided by Lancashire County Council with LEP and Private Sector contributions. The total project cost is now therefore circa £23M.

Although the opening City Deal Model included the £8M County Council contribution the entire bus station project cost of £23M will now be included in the City Deal Model. This will enable the local City Deal partners to demonstrate that they are continuing to invest significant additional resources to significant projects in the City Deal area.

City Deal Members commented that it was pleasing to see the County Council progressing the Preston Bus Station and Youth Zone development and looked forward to the projected developing quickly over the coming years as outlined in the Development Programme in the attached report.

Resolved: The City Deal Stewardship Board and Executive noted the progress report on the Preston Bus Station and Youth Zone project.

13. Any Other Business

None

14. Date of Next Meeting

It was noted that the next Combined City Deal Executive and Stewardship Board meeting was scheduled to be held on Wednesday 31st August 2016 at 3pm in Cabinet Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

Part II

At this point the City Deal Executive and Stewardship Board approved that the meeting move into Part II, Private and Confidential to consider the remaining items 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.

Observers left the meeting

15. Implementation Issues

Beckie Joyce presented a report (circulated) which contained an update on issues relating to the implementation of various City Deal projects.

HCA Colleagues highlighted progress made in relation to Pickerings Farm Link Road in relation to a meeting held with Network Rail. The latest position with regard to discussions with Landowners on the line of the proposed spine road in the Croston Road development was reported.

In addition City Deal Members were provided with a progress update on the Broughton Bypass scheme with regard to the delivery timescales.

Resolved: The City Deal Stewardship Board and Executive provided feedback, in Part II, to officers with regard to each project and noted the next steps to be taken.

16. Resources Review Update

The Chair, Jim Carter introduced a report (circulated) regarding the Resource Review Update which presented the findings of the City Deal Resource Review alongside an update on the potential impacts.

City Deal Members discussed the report, in Part II, and in addition to the recommendations set out, agreed that officers, including officers from the HCA, should engage in dialogue with the Department for Business, Innovation and Skills once all officers have had time to review the recommendations of the report.

Resolved: The City Deal Stewardship Board and Executive

- (i) Noted the contents of the report;
- (ii) Noted the revised “*draft* outline case for negotiation” document, set out in Appendix 1 to the report;
- (iii) Considered the key findings of stage 2 of the Resources Review, set out in “*Analysis of Residential Development Rates in Preston and South Ribble and the Potential Impact on the City Deal Financial Model*”, attached as Appendix 2 to the report; and

(iv) Approved the further revisions to the “*draft* outline case for negotiation” to incorporate the key findings of Appendix 2.