Preston, South Ribble and Lancashire City Deal Stewardship Board

Minutes of the Meeting held on Thursday, 16th August, 2018 at 10.30 am at the Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston

Present

Danielle Gillespie (Chairman)

Jim Carter	Adrian Phillips
Heather McManus	Angie Ridgwell

In Attendance

County Councillor Geoff Driver, Leader, Lancashire County Council
Councillor Matthew Brown, Leader, Preston City Council
Councillor Mary Green, Leader, South Ribble Borough Council
County Councillor Michael Green, Lancashire County Council (Observer)
Councillor Clifford Hughes, South Ribble Borough Council (Observer)
Mark Rawston, LEP Director
Joanne Ainsworth, Finance Advisor, Lancashire County Council
Nicola Elsworth, Head of Land, Homes England
Martin Kelly, Director of Economic Development and Planning, Lancashire County Council
Mike Neville, Senior Democratic Services Officer, Lancashire County Council
Sarah Parry, City Deal Programme Manager, Lancashire County Council
Stephen Young, Executive Director of Growth, Environment, Transport and Community Services, Lancashire County Council.

1. Welcome and Apologies for Absence

The Chairman, Jim Carter, welcomed everyone to the meeting, particularly Councillor Green and Mr S Young who were attending the Combined City Deal meeting for the first time and Mr A Phillips who was attending in his new role at Preston City Council.

Before moving on to the next item of business the Chairman reminded members of the Combined Board that Councillor Peter Rankin from the City Council had sadly passed away in June 2018.

2. Minutes of the City Deal Executive meeting held on 19th February 2018

Resolved: That the Minutes of the City Deal Executive meeting held on the 19th February 2018 are confirmed as an accurate record and signed by the Chairman.

3. Minutes of the City Deal Stewardship Board meeting held on 19th February 2018

Resolved: That the Minutes of the City Deal Stewardship Board held on the 19th February 2018 are confirmed as an accurate record and signed by the Chairman.

4. Matters Arising

Sarah Parry, the City Deal Programme Manager, reported that the intention had been to consider the City Transport Plan alongside the Cycling and Walking Strategy and the Masterplan with a view to combining them into a single document. However, this had proved to be unwieldy and it had not been possible to produce a final document in time for this meeting and so the City Transport Plan would now be presented to the meeting in March 2019.

With regard to the expected report on the delivery of housing sites the Chairman informed the meeting that the intention was for the report to be presented to the next meeting.

5. Declaration of Interests

No declarations of interest were made at the meeting in relation to items of business on the agenda.

6. New Project Proposal - Re-Imagining the Harris Project

Adrian Phillips, the Interim Chief Executive at Preston City Council, presented a report seeking financial support from the City Deal in connection with a the submission of a Heritage Lottery Fund Stage 1 application which would enable a transformative capital project of £10.5 million for the Harris to be delivered.

Funding for the project had already been secured from the City Council and two local heritage trusts and the County Council's Cabinet on 9th August 2018 had approved capital expenditure of £1m as a contribution to the project.

In considering the proposal to allocate £1 million from the Community Infrastructure Fund towards the project the Board recognised that the drawing down of significant sums of funding in advance of income being received could potentially cause cash flow difficulties for both the City Deal and the county council as the Accountable Body. Therefore, it was proposed that until such time as the Community Infrastructure Fund was adequately funded, the City Council

would forego any community provision payments due, to the equivalent amount, which would ease cash flow.

The Board noted that the application for Heritage Lottery Funding of £4.7 million needed to be submitted on 16th August 2018 and that the project was on track to achieve the milestones within the planning phase of the total Programme schedule of work.

Resolved: The City Deal Executive and Stewardship Board approve:

1. The allocation of £1 million from the Community Infrastructure Fund towards the Re-Imagining the Harris project.

2. That Preston City Council forego any community provision payments due, to the equivalent amount specified in 1 above, until such time as the Community Infrastructure Fund is adequately funded in order to minimise the risk of potential cash flow difficulties for the City Deal and Lancashire County Council as the Accountable Body.

2. That Preston City Council enter into a legally binding agreement to guarantee the reimbursement of the allocation specified at 2 above over the life cycle of the City Deal.

7. Any Other Business

No items of business were raised under this heading.

8. Date of Next Meeting

It was noted that the next scheduled meeting would be held at 2pm on the 20th September 2018 in Committee Room 'B' – The Diamond Jubilee Room at County Hall, Preston.

9. Exclusion of the Press and Public

Resolved: That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act, 1972, as indicated against the heading of each item. It is considered that in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information

10. Homes England Quarterly Monitoring Progress Update - Q4 2017/18 and Q1 2018/19

Nicola Elsworth, the Head of Land from Homes England, presented a report on the quarterly monitoring of progress for Q4 2017/18 and Q1 2018/19

With regard to the most recent quarter it was reported that 91% of Homes England residential City Deal sites had planning consent in place. Housing starts had been claimed for 1338 units on 42% of City Deal sites to date and there had been 418 housing completions. The Board received specific updates on progress to date regarding developments at Pickerings Farm and Whittingham.

In response to a query about how the progress to date compared with other areas in the region Danielle Gillespie, General Manager from Homes England, confirmed that Lancashire was in a good position. The Board noted that developers were attracted to sites in Lancashire as they recognised the high level commitment to long term sustainable works which had been demonstrated through the City Deal.

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

11. 2018-21 Homes England Business and Disposal Plan (BDP)

Danielle Gillespie, General Manager from Homes England, presented a report on the Homes England Business Disposal Plan 2018/21 which set out the key milestones and financial forecasts to March 2021 for each of the 11 sites within the City Deal. It was reported that the Plan had been well received at the Homes England Board on the 26th July 2018 which had also recognised the progress that had been made in Lancashire.

When considering the report the Board discussed potential action that may be required by Government in relation to the provision of housing post Brexit to ensure that the right houses were built in the right locations. Danielle confirmed that Homes England would keep the Executive and Board updated on developments.

It was reported that there was an as yet unqualified risk in the income in the financial model due to a new planning application for the Whittingham hospital site which will remove the existing S106 obligations and replace them with CIL.

Resolved: The Stewardship Board and City Deal Executive agreed:

1. To note the progress towards the successful delivery of the 11 Homes England City Deal sites and the level of current and future investment into the City Deal by Homes England, as set out in the report presented.

2. To approve the updated Business and Disposal Plan 2018/21, set out in the report presented.

12. Independent Review of the Preston, South Ribble and Lancashire City Deal

The Chairman gave a brief presentation to update the Board on progress regarding the comprehensive review of the City Deal.

It was reported that an independent consultant had been appointed and was working with a small Review Group to examine progress/performance to date and consider the financial challenges which lay ahead. A separate review had also been commissioned in relation to housing sites.

Resolved:

1. That a final report on the findings of the independent review of the City Deal and Housing Sites be presented to the next meeting.

2. That options for taking forward the report's recommendations be developed by the Review Group over the Autumn.

3. That a further report be presented to the meeting in November with solutions to be agreed by Christmas.

4. That from Spring 2019 the Review Group implement any refreshed arrangements, providing greater certainty for current/future programmes with strengthened partnership working.

13. Rearrangement of September meeting

In view of the significance of the independent reviews of the City Deal discussed under the previous item of business the Chairman emphasised the importance of members being able to attend the next meeting of the Board. Sarah Parry confirmed that no monitoring reports were due to be presented to the next meeting and the number of additional reports would be kept to a minimum in order to allow sufficient time for consideration to be given to the findings of the reviews.

However, it was noted that some members of the Board may not be available and so the Chairman suggested that Officers consult with all members to establish if a suitable alternative date for the next meeting could be identified.

Resolved: That Officers consult with all members of the City Deal Executive and Stewardship Board on potential alternative dates for the next meeting.