

**SOUTH RIBBLE BOROUGH COUNCIL****COUNCIL MEETING – 24 JULY 2013****REPORT OF THE CABINET**

The Cabinet met on the evening of Monday 8 July 2013.

On that occasion, the Cabinet considered the matter set out below, the report considered by the Cabinet was available to all members in advance of the Cabinet meeting.

**1. City Deal – Progress Report**

The Leader of the Council commented that this item followed the recent Member Learning Hour, and for the City Deal to progress further the council now needed to support the principles in the submission to government. Councillor Mrs M Smith asked the Director of Planning & Housing to address the Cabinet, and he gave an overview of progress to date.

The focus of the City Deal proposals was to gain additional government support and assistance for a series of infrastructure investments that would help deliver development as proposed in the South Ribble Site Allocations Local Development Framework (LDF). Those infrastructure proposals had already been set out in the approved County Council's Central Lancashire Transport Masterplan. Whilst this had been maintained the financial obligations on the partners including this council had changed. The principles of the City Deal proposal, including transport and local infrastructure, financial details, risks and governance arrangements were outlined in the report.

The City Deal proposals represented an opportunity to provide significant impetus to economic growth and prosperity within South Ribble, Preston and across Lancashire. The potential rewards for the long term, co-ordinated planning and investment in infrastructure and housing would impact on the sustainability of the local economy. It provided a unique opportunity for private and public sector to work together to bring about transformational change.

It was estimated that over the 10 year period (2014-2024) the City Deal would in the Preston and South Ribble area lead to around 22,500 jobs, 15,000 and provide a 12:1 return on government investment.

The Cabinet member for Strategic Planning & Housing commented that there were still a number of matters to be resolved before the agreement could be signed. The council was a major player with significant developments proposed in its area. The council would invest by way of using a proportion of the future receipts from Community Infrastructure Levy, New Homes Bonus and increased business rates. Whilst the council was supportive of the City Deal proposal it wanted any proposals to be right for residents of South Ribble.

The Cabinet member for Finance & Resources commented about the council's funding. If the New Homes Bonus ceased it would need to be replaced by a government alternative. If the City Deal proposal as envisaged attracted new businesses and resulted in the council receiving increased business rates, he did not want it to then be penalised through the government's grant system. Also he felt the Lancashire Enterprise Partnership (LEP) needed to raise its profile for the benefit of Central Lancashire and, whilst pleased the proposals included the completion of the Penwortham Bypass its benefit would be negligible until the crossing over the River Ribble was completed. In reply the Leader understood that most of the risk would be with the county council. She had spoken to the chairman of the LEP regarding its lack of public profile. Concerns regarding the timing of a bridge over the River Ribble had been expressed and its profile had now risen and £2m has now been allocated to work up details of a route. The council wanted the City Deal proposal to benefit residents of South Ribble, if it did not then the council might have to pull back from it.

The government was asking the council to confirm its support for the proposed City Deal (as per the recommendations), a re-affirmation of commitment of principles. Preston City and Lancashire County councils considered and had already approved similar reports. The government had scheduled all relevant departments (7-8) to confirm their commitment, and hoped to make an announcement before the recess of Parliament. The bridge over the River Ribble was in LCC's

Highways Master Plan, this council would not stop emphasising its early need for the bypass. It was felt the £2m commitment for a study was a positive step.

In response to an enquiry regarding arrangements for the executive, at this stage it would consist of the three council leaders plus the leader of the LEP. However, details such as a council veto were unknown.

The development of the City Deal proposal had moved very quickly to this point with final details still to be agreed over coming months.

It was explained that the notion was for the developments in the City Deal were in the current LDF, accelerated by the infrastructure put in place (which was dependent on developers). There was no presumption that once development had gone in there would be a need for more. The LDF would in due course be refreshed in 10 years.

It was agreed that:

1. That the council's support for the principles of the Preston & Lancashire City Deal submission as set out in this report be confirmed;
2. That the Chief Executive be authorised, in consultation with the Leader of the Council and the Cabinet Member with responsibility for Strategic Planning and Housing, to negotiate and finalise with partners the terms of the City Deal; and
3. That the City Deal terms as negotiated will be the subject of further reports to Cabinet and ultimately Council approval be confirmed.

I hereby commend the report of the Cabinet to the Council.

**COUNCILLOR MRS MARGARET SMITH**

**LEADER OF THE COUNCIL**