

### **3MG EXECUTIVE SUB BOARD**

*At a meeting of the 3MG Executive Sub Board on Thursday, 2 April 2009 in the Marketing Suite, Municipal Building*

Present: Councillors Polhill (Chairman), Nelson and Wright

Apologies for Absence: None

Absence declared on Council business: None

Officers present: M. Reaney, S. McDonald, B. Dodd and A. Jones

Also in attendance: None

#### **ITEMS DEALT WITH UNDER POWERS AND DUTIES EXERCISABLE BY THE SUB-BOARD**

*Action*

#### ESB1 MINUTES

The Minutes of the meeting held on 16<sup>th</sup> October 2008 were taken as read and signed as a correct record.

#### ESB2 NWDA FUNDING 3MG PHASE 2

The Board considered a report from the Strategic Director, Corporate and Policy seeking authority to enter into a Legal Agreement with the North West Development Agency (NWDA) for funding 3MG Phase 2.

The Board was informed that on 9<sup>th</sup> December 2004 (EXB162) the Executive Board adopted the Ditton Strategic Rail Freight Park Masterplan, now known as 3MG (the Mersey Multimodal Gateway). The NWDA supported the 3MG Masterplan and had proposed an 'in principle' allocation of £4.5m towards its delivery. This latest funding agreement was for 3MG Phase 2 works: an agreed qualifying expenditure of approximately £2,206,142 at an intervention rate of 82%, making the proposed North West Development Agency grant funding equal to £1.74m.

The Council adopted the 3MG Masterplan in December 2004. The 3MG programme was included in the

council's Corporate Plan, the Halton Partnership and Halton Borough Council Urban Renewal Strategy and Action Plan, and supports the Council's Urban Renewal corporate priority. The NWDA funding was essential to facilitate the delivery of 3MG.

The NWDA had offered £1.74m to progress 3MG. These funds were offered on condition that the Council enters into a NWDA Funding Agreement. As usual with such arrangements, the NWDA placed the balance of risk with the Accountable Body, in this case Halton Borough Council (HBC). Although some had been negotiated away, the Board was advised that the most prominent risks for the Council remain:

- 1) That minor technical breaches could trigger (a) clawback of grant already paid to the Council and (b) withholding from the Council of grant funding held ready to be drawn down; and
- 2) A duty of utmost good faith owed by HBC to NWDA to inform the Agency of anything which might conceivably adversely affect NWDA's interests under the Agreement.

It was noted that these risks were similar to those previously accepted by Members in connection with other projects.

Furthermore it was noted that the NWDA funding referred to in the report supported the Council's commitment to secure as much external funding as possible to support the delivery of 3MG.

Following the clarification of queries, Members agreed to support the proposal to enter in to a Legal Agreement with the NWDA for funding 3MG Phase 2.

**RESOLVED:** That delegated authority be given to the Strategic Director for Environment, in consultation with the Operational Director and Monitoring Officer (Legal, Organisation Development and Human Resources) and the Portfolio Holder for Planning Transportation Regeneration and Renewal, to negotiate and conclude funding arrangements with the North West Development Agency for 3MG Phase 2, not to exceed £1.74 million.

MINUTES ISSUED:

CALL IN:

Any matter decided by the Executive Board may be call in no later than \*\*\*\*\*

*Meeting ended at 4.21 p.m.*