

<b>SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE</b>	<b>Agenda Item No. 5</b>
<b>8 NOVEMBER 2012</b>	<b>Public Report</b>

**Report of the Leader of the Council and Cabinet member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital**

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**Portfolio Progress Report for the Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital**

**1. PURPOSE**

- 1.1 This report is provided to update the committee on the progress of the Growth Agenda for the City

**2. RECOMMENDATIONS**

- 2.1 Sustainable Growth and Environment Capital Scrutiny Committee to note the contents of the report.

**3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY**

- 3.1 This report supports the sustainability community strategy by:

- Creating opportunities and tacking inequalities
- Creating strong and supportive communities
- Creating the UKs environmental capital
- Delivering substantial and truly sustainable communities

**4. BACKGROUND**

- 4.1 As previously outlined to the Committee the Growth Agenda is delivered by the work of three separate groups: the Council's Growth and Regeneration and Strategic Planning functions, and Opportunity Peterborough. These three areas focus on separate aspects of growth delivery, working together to secure the Peterborough's physical and economic growth.

**Growth and Regeneration** are responsible for enabling and facilitating physical growth activity on specific sites in the city, with a focus on the regeneration of the city centre. Current activity is targeted towards the following sites:

- **Station Quarter**, which is intended to become a new central office district for Peterborough, and serve as a revitalised and upgraded gateway to the city centre from the railway station. The recent Network Rail-led upgrades of the main station building have significantly improved the arrival experience for visitors to Peterborough. Good progress is also being made towards the major redevelopment of the Great Northern Hotel - Planning Committee resolved to

approve an outline planning application for 13,010 sqm offices and a 47 bed extension to the hotel on 10<sup>th</sup> July 2012, subject to completion of legal agreement. The legal agreement is currently being prepared. Separately, Outline planning permission was also issued on 19<sup>th</sup> March 2012 for a 4,300 sqm retail foodstore and 6,000 sqm offices (the 'ING site').

- **Northminster**, for which activity has been focussed on understanding the potential uses for the area that are commercially viable in the current market. A key part of this is the potential value of Council assets and whether the presence of these might be enablers for regeneration, with the market multi-storey car park a good example of an asset that could, potentially, be a lever to encourage development. Much more work would be needed before a decision could be made or even proposed, however.
- **Southbank Phase 1**, construction is now underway as Vista, a landmark 295-property site on London Road. The site's highly insulated two, three, and four bedroom properties are being built with energy efficient elements such as solar thermal panels, features to reduce water consumption and an advanced boiler that recovers waste heat, serving to lower householder's bills and reduce environmental impact.
- **Southbank Phase 2** – The London Road Stadium project aims to redevelop 3 of the 4 stands of the existing stadium in a phased manner to create a vibrant multi use community facility incorporating a range of uses in addition to football. The project seeks to work with landowners of assets fronting London Road, outside of PCC's current ownership. The objective is to direct/influence the regeneration of what are presently tired frontages with limited land utilisation and in doing so enhance what is an important gateway to the city centre.
- **Southbank Phase 3**, Fletton Quays, which will be a landmark city centre regeneration site making far better use of the river frontage to the east of the Town Bridge. Officers have been working to develop the best approach for bringing this site to market, ensuring developers have flexibility in their delivery approach to be innovative whilst the Council retains a strong degree of control and receives a sound financial return on its investment in land in the area. A recent cabinet decision approved the procurement of a Joint Venture partner to do this, using a competitive dialog approach. A Prior Information Notice has been issued and an open day was held on the 29<sup>th</sup> October 2012.

**Strategic Planning and Development Management** are responsible for putting in place the statutory 'local plan' to support and encourage growth, and then provide a positive planning service to support developers to deliver sustainable growth. Current major activity is targeted towards the following:

- Preparing a '**City Centre Plan**', a draft of which will be put to this Scrutiny in November. This Plan will set detailed planning policy for the city centre, including identifying specific 'opportunity areas' for new development. The Plan, when adopted, will form the final piece of the top-tier planning policy jigsaw, to complement the Core Strategy (2011), Site Allocations Document (2012) and Planning Policies DPD (due to be adopted in December).
- Preparing a **Community Infrastructure Levy**, to help ensure the city can provide the necessary infrastructure to support growth

- Continuing to consider proposals for **Great Haddon**:
  - **Employment Area:** Outline planning permission was granted in May 2011 for 3.3 million sq. ft of employment use. Detailed consent was issued for a new access road off Jnt 1 Fletton Parkway along with the strategic drainage network for the site. Detailed permission has been issued for Plot 7. An application is expected next week for a storage warehouse. Work on the access road is expected to commence later this month.
  - **Remaining Area:** Transport is one of two main issues outstanding. We are hopeful that the Highway Agency will shortly remove its holding direction. Discussion is ongoing with Cambs CC and we are awaiting the submission of further information in relation to the impact on the A15. The other main issue is negotiations around the viability of the scheme. Discussion is ongoing with the applicants. Once a firm offer has been established an update will be given to Members.
- Continuing to consider proposals for **Hospital site, Thorpe Road**. The Hospital Trust is in detailed discussion regarding the sale of the site,. We are engaged in pre-application discussions with the purchaser and it is anticipated that an outline application will be submitted later this year.
- Planning Committee resolved on 15<sup>th</sup> August 2012 to approve the **Garden Parks, Peterborough Rd, Eye** outline planning application for a 6,040 sqm retail foodstore, subject to completion of a legal agreement and referral to Government Office.
- Vacant land at **Maskew Avenue** recently gained outline planning permission for a 6,912 sqm retail foodstore (permission issued 9<sup>th</sup> July 2012).
- Statistics for **Housing Growth in 2011/12** have recently been published – see: <http://www.peterborough.gov.uk/pdf/2012%20Housing%20Report.pdf>. This shows a total of 741 (net) new homes were built last year, slightly up on 2010/11 (705 homes).
- **Opportunity Peterborough** continues to work closely with the private sector. OP's Bondholder scheme now has over 1200 members and provides a strong mechanism to communicate with the private sector. While the macro economy remains difficult the city is seeing an increase in the number of enquiries from potential investors. Over time this will see further increases in new jobs arriving in the city. During Quarter 1/2 2012 the city has benefitted from net job growth of 600 new jobs, the growth has come from a range of sectors. It is worth noting that there is broad positive comment from the local construction sector, which is a barometer of economic performance. OP has been leading work with the Banking and finance sector to establish how a greater level of funding can be loaned to local businesses to help secure future growth. This remains one of the greatest frustrations within the local business community at this time. We continue to see expansions from existing Peterborough businesses although the macro conditions are making investors more risk adverse, there is a strong view that once we see signs of a recovery we can anticipate fast paced growth. While it is difficult to predict an end to this economic cycle it is clear that Peterborough continues to fare better than many other cities. Although there is still concern that despite job growth our local unemployment level remains stubbornly high.

Work continues to progress very well on the Skills agenda, with national recognition for our work on the 'Skills Vision'. The city now has over 1,200 companies working with our young people. We aim to assist around 1000 young people by helping them to develop their employability skills. Support is provided from Company visits to schools through to work experience placements. This work is being well received by both businesses and young people. Importantly the support is giving the two communities a better understanding of what both have to offer.

**5. KEY ISSUES**

5.1 The Committee need to consider and note progress and activity on projects detailed above.

**6. IMPLICATIONS**

6.1 This report is for information only and therefore does not have any direct implications. However the activities outlined in this report will have a Council wide impact.

**7. CONSULTATION**

7.1 There has been no internal or external consultation on the contents of this report.

**8. NEXT STEPS**

8.1 It is anticipated that the committee members will receive updates on progress when applicable.

**9. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

9.1 None

**10. APPENDICES**

10.1 None