

CABINET	AGENDA ITEM No. 6.2
29 MARCH 2010	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr Marco Cereste Leader of the Council, and Piers Croft, Cabinet Member for Strategic Planning, Growth and Human Resources	
Contact Officer(s):	Steve Compton, Chief Executive, Opportunity Peterborough	317486

ENDORSEMENT OF THE 2010-13 OPPORTUNITY PETERBOROUGH DRAFT BUSINESS PLAN

R E C O M M E N D A T I O N S	
FROM : Cabinet Members	Deadline date : n/a
<p>1. Cabinet endorses the 2010-13 draft business plan for Opportunity Peterborough; and</p> <p>2. Cabinet notes that the agreement of funding specific projects within the plan, if required, will be subject to the Council's normal decision-making process.</p>	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following approval of the business plan by the Board of Opportunity Peterborough (OP).

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is for the Council, as one of the three founding partners of Opportunity Peterborough, to endorse its draft three year business plan. As a major funder, supporter and member of the Board of Opportunity Peterborough, it is important that the Council is satisfied that the draft business plan will deliver the objectives agreed.

2.2 This report is for Cabinet to consider under its Terms of Reference No 3.2.3 'to take a leading role in promoting the economic, environmental and social well being of the area'.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	No
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4. ENDORSEMENT OF THE 2010-2013 OP BUSINESS PLAN

4.1 Introduction

4.1.1 Opportunity Peterborough will enter its 6th year of operation in April, in an economic climate very different to that when which it

started. The credit crunch that began in 2007 has virtually eliminated the funding traditionally available for growth developments and it is unlikely these funding mechanisms will ever recover to levels seen only a few years ago. The economic downturn has also created a heightened pressure for economic development and city marketing activities.

4.1.2 Over the last year, Opportunity Peterborough and the Council have been working together to develop a revised approach to growth delivery for Peterborough, a revised approach that is now being implemented following approval by both the OP Board and PCC Cabinet in late 2009.

4.1.3 This approach has led to a number of changes, including the Council leading on the delivery of physical growth projects and a strengthening of Opportunity Peterborough's role in building a strong economic base for city. These changes are reflected in this year's business plan, which sees Opportunity Peterborough working to enhance Peterborough's approach to economic growth and development within the city and the wider sub-region, helping the city to realise its ambition to create conditions for greater levels of entrepreneurship and enterprise.

4.2 Vision and Objectives

4.2.1 The role of Opportunity Peterborough has evolved from its initial focus on purely spatial growth and regeneration, to that of driving forward clear initiatives for sustainable economic development. This re-focus ensures OP's operations are leading the delivery of economic growth and regeneration and is reflected in the new statement of purpose:

"Opportunity Peterborough will lead the delivery of a step change in the economic performance of Peterborough and underpin the city's sustainable growth and regeneration"

4.2.2 The strategic objectives to deliver this are:

- To improve the performance of Peterborough's businesses and encourage innovation and enterprise.
- To support and promote the city's learning and skills and raise aspirations to underpin the future needs of Peterborough's economy.
- To make Peterborough an exemplar low carbon economy, to achieve its ambition to become UK Environment Capital.
- To support the sustainable and integrated growth of Peterborough for the benefit of all its citizens.
- To maximise the regional, national and international profile of Peterborough.

4.3 Priorities and Priority Projects

- 4.3.1 The priorities for Opportunity Peterborough over the next twelve months have been developed with the vision, current economic climate, and strategic objectives above in mind. These more fully explored in the full business plan, but include a focus on transforming Peterborough from a low-end to high-end economy, attracting investment into the city, and developing key business clusters / sectors.
- 4.3.2 As has always been the case, realising Peterborough's growth agenda needs several different delivery approaches and the business plan shows how Opportunity Peterborough will use these. In short, there will be a mix between direct delivery by OP itself, areas where we co-ordinate and steer activity, and finally areas where we lend support where necessary, such as in working with the Council in supporting physical growth delivery. An overview of the Council's Peterborough Delivery Partnership work plan is provided in the next section.
- 4.3.3 Delivery over the next twelve month will be across four key themes, using a mix of the delivery approaches discussed above:
- Economic Development
 - City Marketing
 - City Vibrancy
 - Physical Growth
- 4.3.4 Each theme has key projects and activities associated with it, such as the creation of a business engagement framework to support economic development and continuing to expand the 'living over the shop' initiative to help support city vibrancy. A whole host of activities are planned, which are listed in more detail within the full business plan.

4.4 The Peterborough Delivery Partnership Work Plan

- 4.4.1 The PDP has been created within the Council with a mandate of finding solutions to the financial and other challenges that are impeding key growth scheme delivery for the city. The focus for the PDP over the next two years will be on the five areas below:
- **South Bank:** the delivery of a viable and fundable development proposal for the site, which includes options assessment for aspects such as multiversity accommodation, a foot and cycle bridge over the river and a community stadium.
 - **City Centre Development:** a review of all the plans, briefs, frameworks and concepts for the city centre and the delivery of a number of practical, pragmatic scheme outlines that are broadly tested for financial viability and can be brought to market for delivery.
 - **New Homes Delivery Partnership:** establishing a collaboration between the Council and a residential social landlord to combine funds, credit, and other assets from both parties in order to build new homes in the city.
 - **Multiversity:** creating a financially viable asset delivery plan for the multiversity, including effective arrangements for delivering the plan that align to the university project and its business plan.

- **Infrastructure Finance and Delivery:** learning from the PDP’s work on the areas above to establish a sustainable architecture for growth delivery in the city, most importantly providing adequate and fairly stable revenue funding to enable future project delivery.

More details on the PDP work plan is available in an Annex to the main OP Business Plan

4.5 Financial Implications

- 4.5.1 The budget outline for Opportunity Peterborough is detailed on pages 21 and 22 of the business plan. This lists the allocation of resources and from where those funds are drawn. For brevity, the implications for the Council are a contribution to OP of £375k for 10/11, reducing to £310k in 11/12 and 12/13. As a result of the recent changes to how the Council and Opportunity Peterborough work together to deliver physical growth, Opportunity Peterborough will provide £364k to the Council.

	PCC to OP	OP to PCC
10/11	£375k	£364k
11/12	£310k	£364k
12/13	£310k	£364k

4.6 Human Resources Implications

- 4.6.1 As part of the revised physical growth delivery arrangements between the Council and OP, four secondments of regeneration staff from OP to the Council are currently in place and will continue – at least for the early part – of 10/11.

5. CONSULTATION

- 5.1 Senior Council staff has been involved in drafting this year’s business plan, as have colleagues from EEDA and HCA. The Council, EEDA, and HCA are all represented on the Board of Opportunity Peterborough and have been instrumental in the Board’s decision to approve the draft business plan.

6. ANTICIPATED OUTCOMES

- 6.1 Ratification of the draft business plan by the three founding partners means that the Board of Opportunity Peterborough has a firm basis for delivering the agreed objectives.

7. REASONS FOR RECOMMENDATIONS

- 7.1 It is required that the Council and the two other founding partners consider and agree the draft business plan. Inevitably, the specific schemes for implementation will evolve during the course of the plan period and it is therefore appropriate that funding is approved by the Council through its normal decision-making processes.

8 ALTERNATIVE OPTIONS CONSIDERED

8.1 Modifications to the plan can be suggested, which would be subject to discussion and agreement with other partners and therefore delay activities within it.

8.2 The draft business plan could not be approved, which would limit the operations of Peterborough's Urban Regeneration Company significantly.

9 BACKGROUND DOCUMENTS

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

Opportunity Peterborough Draft Business Plan 2010-2013.

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