

<b>CABINET</b>	AGENDA ITEM No. 6.1
<b>30TH MARCH 2009</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr John Peach, Leader of the Council and Cllr Graham Murphy, Cabinet Member for Housing, Regeneration and Economic Development	
Contact Officer(s):	Steve Compton, Chief Executive, Opportunity Peterborough	Tel. 317486

**APPROVAL OF THE 2009/12 OPPORTUNITY PETERBOROUGH DRAFT BUSINESS PLAN**

R E C O M M E N D A T I O N S	
<b>FROM :</b> Directors	<b>Deadline date :</b>
1. To endorse the 2009-12 draft Business Plan of Opportunity Peterborough	
2. To note that agreement of funding of specific projects from that plan, if required, will be subject to the Council's normal decision-making process	

**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 3 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, and use the funding provided in an effective way.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.2 To promote the Council's role as community leader, giving a "voice" to the community in its external relations at local, regional and international level, and fostering good working relationships with the Council's partner organisations, Parish Councils and the relevant authorities for Police, Fire, Probation and Magistrates' Courts Services.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
---	-----------

**4. APPROVAL OF THE 2009/12 OPPORTUNITY PETERBOROUGH DRAFT BUSINESS PLAN**

**4.1 Introduction**

Opportunity Peterborough will enter its 5<sup>th</sup> year of operation this April, and despite a relatively slow start is now delivering on some key initiatives and projects as part of the growth agenda and this will be very much the case going forward during this plan period.

Clearly the declining economic situation associated with a lack of developer participation and significant reductions in public funding will not help in maintaining the momentum of delivery and growth however there are alternative methods of delivery through the use of special purpose vehicles and direct engagement with private financiers, such as pension and investment funds, which are being actively explored to overcome this situation.

Accordingly this plan has looked closely at the key strategic priorities needed to drive forward the growth agenda and those which can be realistically delivered given the likely availability of resources whilst retaining the long term vision for the city of delivering 25,000 new homes and 20,000 new jobs by 2021.

2009 is off to an exciting start with the commencement on site of the public realm transformation in Cathedral Square which is due to complete in time for Christmas trading later this year and also with the successful launch of the new city brand proposition and logo at the Ambassadors Dinner in February.

## **4.2 Vision and Objectives**

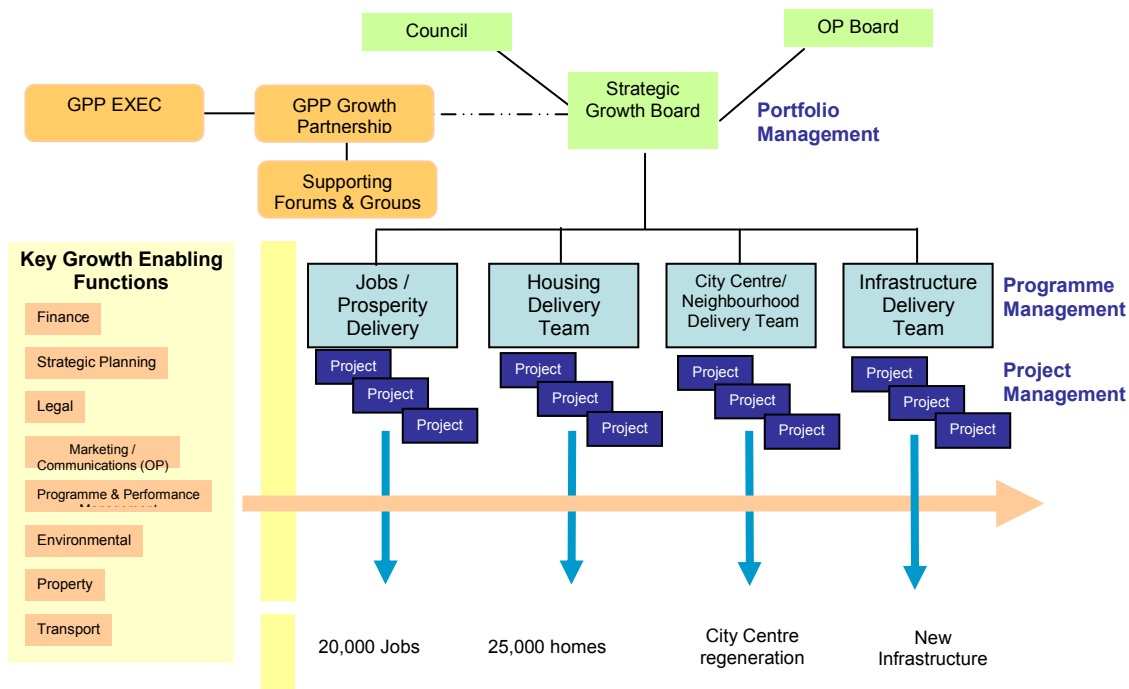
The vision for the growth of Peterborough is set out in various documents starting with the Regional Spatial Strategy (The East of England Plan), the Integrated Growth Study launched in February 2008 which in turn informed Peterborough City Council's (PCC) draft Core Strategy currently going through its statutory process, the City Centre Area Action (CCAAP) Plan, final consultants recommended option due imminently and which will inform PCC's own CCAAP as a development plan document, and the Sustainable Community Strategy.

Opportunity Peterborough's purpose is to facilitate the successful regeneration of Peterborough through enabling sustainable growth. To achieve this OP will focus on 3 key objectives

- 1) To create a vibrant and attractive city centre at the heart of a bigger and better Peterborough
- 2) The sustainable and integrated growth of Peterborough including the infrastructure to deliver this
- 3) A vibrant and diverse business community, supported by an improved skills and knowledge base, fit for the global economy

OP has worked closely with senior officers and members within Peterborough City Council to develop a close partnership to deliver the growth agenda within the city and in particular a "Strategic Growth Framework" which provides a structured and focussed approach to the delivery of the growth agenda. This structure is shown below and brings together all the key partners of OP, PCC, East of England Development Agency (EEDA), Homes and Communities Agency, GO-East etc as follows:

## Growth Delivery Framework for Peterborough



### 4.3 Priorities

The priorities are set out to reflect the 3 key objectives above plus a marketing and communications role as follows:

#### i. City Centre Vibrancy:

##### **Public Realm Implementation**

Cathedral Sq completion, Bridge Street, Cowgate & Long Causeway, Westgate

##### **South Bank**

Carbon Challenge, Fletton Quays, University Eco-Faculty, Eco Innovation Centre II, Railway Sheds/Mill

##### **City West**

Station Quarter East, Green Quarter, Railway Station, North Westgate, Highways

##### **Northern Embankment**

Community Stadium, Arena, Swimming pool & leisure, Community facilities, Education, Residential

#### ii. Substantial and Sustainable Growth:

##### **Infrastructure Delivery**

ESCo, Adapting to Climate Change, Digital Connectivity, Construction waste minimisation

##### **LAA Priority 4 Lead**

##### **Support to:**

District Centres, Stanground/Magna Park, Urban Extensions, Long-Term Transport Strategy

### iii. **Economic Prosperity**

Business Engagement, Economic Research/Intelligence, Business Advocacy, University 'Campus'

#### 4.4 **Marketing Peterborough**

Marketing Peterborough through a City Bond Scheme, City Marketing Group, City Marketing Campaigns

#### 4.5 **PR & Comms**

OP company profile & Stakeholder engagement

#### 4.6 **Financials**

PCC make an annual contribution of £250,000 towards OP's core funding costs together with an in kind contribution by way of seconded staff into OP which amounts to £151,000 in 2009/10 and £88,000 in 2010/11 and 2011/12.

PCC may consider funding through its capital programme (subject to availability of funding) for priority projects together with some revenue items of work amounting to £280,000 in 2009/10, £250,000 in 2010/11 and 2011/12.

Of these sums the Core funding contribution, seconded staff and revenue project costs, are all approved for the next 2 years amounting to a total contribution of £731,000 in 2009/10 and £588,000 in 2010/11.

#### 4.6 **Summary**

The contributions from PCC towards the core funding of Opportunity Peterborough's operations and the secondment of personnel to that organisation represents excellent value for money:

- i. £250k PCC money attracts a further £549k from EEDA and the Homes and Communities Agency combined.
- ii. A further £350k per annum has been attracted from communities and local government (CLG) to support key programmes and projects in the city.
- iii. OP have been instrumental in securing for the city an initial £17.5m from the department of CLG under the Growth Area Fund, along with an additional £3.9m. This total of £21.4m over the period 2008-11 will deliver substantial infrastructure projects for the city for the benefits of all its citizens.
- iv. A further £1.8m has been secured to support the transformation of Cathedral Square from EEDA. An exceptional award based on the thorough approach adopted by OP in producing the Public Realm Strategy initially. This work has been recognised regionally as an exemplar model of bringing forward such schemes, and Peterborough is already being used by Colchester Council as an example of best practice in this field.
- v. The ground-breaking Integrated Growth Study has been recognised by central government as a unique model for identifying sustainable growth opportunities and is underpinning the city's claims to aspire to be environment capital.
- vi. Significantly OP has lead on key initiatives which have, or are soon about to, transform our city: the establishment of the Eco-Innovation Centre at Peterscourt which is demonstrating exceptional take-up rates; the developer selection for

Carbon Challenge on South Bank, the largest zero-carbon home development in the country; the commencement of works on Cathedral Square; the Green Gateway initiative, providing a low carbon office development as a gateway from the railway station to the city; the development of a new brand for the city that all of its people and businesses can get behind.

These are just a few of the achievements of OP so far which demonstrate the value for money that OP represents to the city. There is a wide range of skills and experience within the company which is driving forward so many key projects in the city.

The seconding of staff to the company also secures an excellent connection between OP and the city council, ensuring that we move forward in the city in a true spirit of partnership to deliver the city's regeneration.

## **5. CONSULTATION**

- 5.1 Senior Council staff have been involved in drafting this version of the Business Plan, as have colleagues from EEDA and English Partnerships (EP).
- 5.2 The Council, EEDA and EP are all represented on the Board of Opportunity Peterborough and have been instrumental in the Board's decision to approve the draft Business Plan placed before the OP Board.

## **6. ANTICIPATED OUTCOMES**

Ratification of the draft Business Plan by the three founding partners means that the Board of Opportunity Peterborough have a firm basis for delivering the agreed objectives.

## **7. REASONS FOR RECOMMENDATIONS**

It is required that the City Council and the other two founding partners consider and agree to the draft Business Plan. Inevitably, the specific schemes for implementation will evolve during the course of the 3 year plan period and it is therefore appropriate that funding of these is approved by the Council through its normal decision-making processes.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

(a) Suggest modifications to the Plan - the draft Business Plan has been the subject of discussions and modifications by the Partners.

(b) Not approve the draft Business Plan - this would limit the operation of the Urban Regeneration Company.

## **9. IMPLICATIONS**

The City Council is a major contributor to the financing of Opportunity Peterborough. Provision has already been made in the City Council budget for this, and so ratification of the draft Business Plan will not adversely affect the budget.

The City Council commits extensive management and professional resources to supporting and working with Opportunity Peterborough. An agreed business plan ensures best use of available resources.

## **10. BACKGROUND DOCUMENTS**

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

Opportunity Peterborough draft Business Plan 2009/12

This page is intentionally left blank