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| SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE | Agenda Item No. 5 |
| 16 October 2014 | Public Report |

Report of the Cabinet Member for Growth, Strategic Planning, Housing, Economic Development and Business Engagement

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

1. PURPOSE

- 1.1 This report is provided to update the Committee on the progress of items under the responsibility of the Cabinet Member for Growth, Strategic Planning, Housing, Economic Development and Business Engagement

2. RECOMMENDATIONS

- 2.1 The Committee is asked to note the report and provide comments accordingly.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1 This report supports the Sustainable Community Strategy by highlighting progress and change across a range of indicators and measures related to the Strategy's objectives:
- Creating opportunities and tackling inequalities
 - Creating strong and supportive communities
 - Creating the UK's Environment Capital
 - Delivering substantial and truly sustainable communities

4. BACKGROUND

- 4.1 This report forms the annual progress report of the Portfolio Holder for Growth, Strategic Planning, Housing, Economic Development and Business Engagement. The report is structured around each of those elements.

The responsibilities of this Portfolio Holder are clearly linked to the Council's stated vision:

The Council's vision is to create a bigger and better Peterborough that grows the right way, and through truly sustainable development and growth:

- *improves the quality of life of all its people and communities, and ensures that all communities benefit from growth and the opportunities it brings*
- *creates a truly sustainable Peterborough, the urban centre of a thriving sub-regional community of villages and market towns, a healthy, safe and exciting place to live, work and visit, famous as the environment capital of the UK*

5. PROGRESS REPORTS

Growth

- 5.1 The sustainable growth of the city remains a clear priority for the Council. The senior

management restructure in November 2013 further strengthened our approach to growth with the creation of a new post of Director of Growth and Regeneration, who is responsible for delivering Peterborough's sustainable growth, for securing the regeneration of the city centre, for economic development, and for maintaining and improving our road and sustainable transport infrastructure.

5.2 The approach of the new Directorate is a focus on commissioning solutions and services from in-house council services, the Council's wholly owned company Opportunity Peterborough, our new highway services provider Skanska and a new Joint Venture Company.

5.3 Our success in delivering growth was recognised by Centre for Cities in its 'Cities Outlook 2014':

- Peterborough is the fastest growing city in the UK by population (1.6% annual growth rate)
- Peterborough has the second highest private sector jobs growth of any UK city at 5.45%, ahead of London and Cambridge
- Peterborough is 7th for the highest proportion of private sector employment, ahead of London and Cambridge (3.6 private to public ratio)
- Peterborough has the 5th highest housing growth (0.9% stock growth), ahead of London and Cambridge

http://www.centreforcities.org/assets/files/2014/Cities_Outlook_2014.pdf

We also have the fastest road commute time of any UK city, and investment in rail to improve our economic connectivity continues with the recent completion of the £43m station upgrade, proposed improvements to the Werrington freight crossing and the removal of level crossings

5.4 A total of 863 new homes were completed in 2013/14, and we expect that figure to be around 1,100 in 2014/15. Persimmon Homes have confirmed that their Cardea development at Stanground is the fastest selling housing site in the country.

Several major residential planning permissions have been granted, to further boost our pipeline of housing schemes, including:

- 350 – Peterborough District Hospital site (including a new primary school)
- 230 - Newark Road
- 125 - Coriander Drive
- 110 - Midland Road
- 168 - Manor Drive
- 84 - London Road
- 80 - East of England Showground
- 80 - Woburn Drive, Thorney

These new permissions complement those schemes that already have consent, such as Hampton and Great Haddon where there is significant interest in accelerating delivery.

5.5 We have continued to make major investment in new schools and school places, with an additional 1,155 pupil places provided for the new academic year, with further significant investment continuing this coming year.

5.6 It is important to emphasise our commitment that new growth must be well designed and sustainable, creating schemes that enhance and improve the city and our villages as places to live, work and play. Development schemes in Peterborough have achieved national and regional success for their planning, design or construction including: the Little Miracles building at the Spinney (which was the BBCs 2013 Children in Need DIY SOS Big Build feature project), Seagate Homes in Maxey, and Welland Primary School. The Carbon Challenge site, Vista, is delivering 295 zero carbon, high quality homes in the heart of the city.

- 5.7 And as well as design quality, the Council's services are recognised for their customer service, with both the Development Management and Building Control teams continuing to demonstrate their commitment to providing a quality service by securing renewal of the Cabinet Office Customer Service Excellence Award and maintaining Quality Assurance status. In addition, we have been recognised as a 'Smarter Planning Champion' for the quality, services and advice available through our web pages.

Joint Venture Company

- 5.8 Turning to the Council's own direct contribution to growth and development, in February 2014 Cabinet and then Council considered and approved a wide ranging report around future growth and funding. This included agreement to establish a new Joint Venture company, with the aim of regenerating key city sites in partnership with capital market investors. (see Cabinet Agenda item 5 'Funding Peterborough's Growth' at <http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=3278&Ver=4>)
- 5.9 Cabinet delegated authority to key senior offices to progress discussions and put in place the necessary legal and commercial documentation associated with those arrangements. This is almost complete, with the necessary legal and financial agreements secured. Work is now progressing on the development of the Project Plans for a number of sites. This work is initially focused on the Riverside Opportunity Area but additional projects in the City are anticipated and we are starting to develop those proposals. Planning applications for individual sites will be progressed by the Joint Venture Company in the coming months.

Strategic Planning

- 5.10 The Council's strategic planning services continues to be recognised nationally for its quality service and efficient plan making.
- 5.11 Peterborough's own Local Plan is up to date and compatible with recent radical changes to national planning policy. The final piece of the Local Plan jigsaw (the City Centre Plan) is on track for adoption this winter, following its independent examination process in the summer.
- 5.12 Our quality strategic planning service continues to commercially trade to nearby councils, with major contracts in place with Fenland District Council (where our officers successfully prepared and secured adoption in May 2014 of a Local Plan for Fenland, the first for the district in 20 years) and Central Lincolnshire (to deliver a joint Local plan for Lincoln City, North Kesteven and West Lindsey councils). Other recent shorter term contracts have included Cambridge City and South Cambridgeshire councils. As well as raising our profile and maintaining expertise for Peterborough in the field of strategic planning, these contracts bring in a valuable income to the Council of approximately £200,000 each year.
- 5.13 The Strategic Planning function is also on track to put in place a Community Infrastructure Levy for Peterborough by spring 2015. This will give developers certainty in terms of what contributions they will need to make to support our growth, as well as providing the Council with a multi-million pound fund to spend on improving the city's infrastructure to support that growth. However, the Levy will not provide all the funding we need for infrastructure, and the Council remains focussed on securing additional funding from a wide variety of sources (such as the Local Enterprise Partnership, Homes and Communities Agency and other Government funding initiatives).
- 5.14 Interest in 'neighbourhood planning' continues to grow in Peterborough, with six parish council areas designated as 'Neighbourhood Areas' by the end of September 2014, and a seventh due to have been designated at Planning and Environment Protection Committee on 7 October. This starts the process for preparing a parish-led Neighbourhood Plan, and our officers continue to support that process. Full details at: http://www.peterborough.gov.uk/planning_and_building/planning_policy/planning_policy_framework/neighbourhood_plans.aspx

Strategic Housing

- 5.15 The Council has an up to date Housing Strategy and is focussed on delivered its targets.
- 5.16 As well as market housing, the Council continues to target the delivery of affordable homes, with 143 completed in 2013/14. We are on track to deliver around double that amount in 2014/15.
- 5.17 Similar to the Strategic Planning function, the Housing Strategy team now provide a service to Fenland District Council. Once again, this raises our profile, retains valuable skills in-house and brings in a valuable income to the Council.
- 5.18 We continue to explore best value for the £multi-million affordable housing capital fund, built up from right-to-buy receipts and s106 contributions. Any proposed change to Council policy will be reported to Scrutiny.
- 5.19 Very recently, working with partner councils of Rutland, South Holland and South Kesteven, the Strategic Housing section completed an updated Peterborough Strategic Housing Market Assessment (SHMA), which provides valuable up to date information on housing needs (market, affordable as well as specific house types) for Peterborough. Further details available at http://www.peterborough.gov.uk/housing/housing_strategy_team/housing_research.aspx .

Economic Development and Business Engagement

- 5.20 Claimant count figures continue to fall as economic confidence in the city continues to rise. The latest figures for claimant count stand at 3,566 (3%). Taking a broader view, this compares to 5,587 (4.7%) in July 2013. Peterborough's July 2014 figures outperform both the East of England and Great Britain, which have seen a plateauing or slight increase in the period.
- 5.21 This economic growth is boosted by both existing companies expanding, where we have seen growth in a broad range of sectors, and new companies coming to the city, including Access Prepaid and GeoPost. Local property agents are recording high levels of deals going through on commercial and industrial premises, which again reflects that economic confidence in the city.
- 5.22 It is important to continue to raise the profile of Peterborough through engagement with external agencies. The relationship with the Local Enterprise Partnership (GCGP LEP) is developing well, building off collaborative work around funding bids especially. Peterborough's relationship with UKTI is also exceptionally strong, with recent showcasing to Government's trade and investment arm of some of Peterborough's key sectors (environmental companies, and food and drink businesses). These links will continue to be exploited for both export and inward investment opportunities.
- 5.23 It is clear that focusing on particular sectors can reap benefits: the inward investment campaign to attract new restaurants and retailers to Peterborough has generated considerable investment since its inception in 2011. Whilst all sectors will be supported, opportunities to target particular groups will be developed, such as digital companies, to exploit the superfast speeds of the gigabit provision from Peterborough Core. In line with the city's environmental strengths, Opportunity Peterborough is also developing key connections in the water industry and with European partners, building off its work with Anglian Water; this could generate considerable traction for the city, given the breadth of that interest, and potentially a unique selling point for innovation, business growth and investment.
- 5.24 Peterborough is also featuring on the national and international map through its work on the Future Cities Demonstrator programme. Not only are local companies receiving support to bring innovative products to market, but through its component parts (the Brainwave portal, and Smart Fengate business approach) the city itself is becoming recognised within Government and across UK cities for its approaches to the 'Smart City' agenda.

- 5.25 We also need to ensure that we have a workforce fit for the future. The Skills Service, which was pioneered in Peterborough, is now being delivered by Opportunity Peterborough across the northern-LEP area (Rutland, Peterborough, Fenland and Kings Lynn), funded by the LEP.

Investing in Infrastructure

- 5.26 We are continuing to invest in the infrastructure necessary to support the growth of the city. The A1139 Fletton Parkway is currently being widened between junction 17 of the A1M and junction 2 with considerable grant funding secured from Government, supporting job creation at Roxhill's Peterborough Gateway site. City centre public realm schemes on Bourges Boulevard, to reconnect the train station with the city centre, and Long Causeway are underway and we have recently secured a further £10.5m of Government investment through the LEP for Bourges Boulevard (Crescent Bridge to Bishop's Road), phased over the next 2-3 years. Junction 20 of the A47 will also be improved next year with money secured through the LEP, and this will help to accelerate private sector investment.

We have continued to make major investment in new schools and school places, with an additional 1,155 pupil places provided for the new academic year, with further significant investment continuing this coming year.

6. IMPLICATIONS

- 6.1 There are no direct implications arising from this report. It is provided for information and comment.

7. CONSULTATION

- 7.1 This document has been produced in collaboration with colleagues across the Growth and Regeneration Directorate.

8. NEXT STEPS

- 8.1 Headline next steps are outlined in the commentary above. Should Scrutiny Committee seek further detail on any aspect described in this report, then a subsequent more detailed report will be made available.

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

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