

	<b>Agenda Item</b>	<b>2.</b>
Meeting	Plymouth Growth Board	
LSP Visionary Goal and Priority Objective	A wealthy city which creates and shares prosperity	
Responsible Officer	David Draffan: PGB Co-ordinator	
Title	LES Centres Review	
Purpose of Item		
Recommendations	<p>Growth Board members are requested to:</p> <ol style="list-style-type: none"> <li>1. Approves the proposed revised actions outlined above for the Centres part of the LES Action Plan</li> </ol>	
Date	18 July 2011	

## LES Centres Review

### 1.0 Introduction

- 1.1 At the Plymouth Growth Board meeting on 23 May 2011 it was agreed to carry out the Centres review of the Local Economic Strategy Action Plan (LES). This is to ensure that the actions within it remain relevant, are deliverable and work towards the aim of the LES to deliver growth and jobs.
- 1.2 At the 23 May meeting it was agreed that this review be led by Nigel Godefroy. However, on commencement of the review process it was felt that it should be led by David Draffan as this chapter of the LES is very much related to the work of the Council. A small sub-group was convened comprising of planning, property and economic development officers. There is also a wider group looking at this through the Centre Regeneration Team headed by Paul Barnard and David Draffan.

### 2.0 Review Process

- 2.1 The LES was adopted in October 2006 and its Action Plan amended and updated in August 2009. The current Action Plan for the Centres theme reads as follows:

<b>3. Centres</b>
3.1. Appraise and implement the Mackay Vision
3.2. Complementarity between key centres, especially the bi-nodal area of City Centre and Derriford
3.3. Office accommodation and employment land development work
3.4. Improve the housing offer
3.5. Improve connectivity

Extract from LES Action Plan

- 2.2 An expanded version of this is available at Appendix A.
- 2.3 The Centres theme is the fifth and final review to take place. As such, it built on the knowledge accrued from past reviews. The discussions ranged around the following key issues:
- Are the actions still current?
  - What are the current issues that need to be included?
  - How to deal with the sub-regional aspect
  - Current initiatives and how they fit in
  - What is deliverable?
- 2.4 There was agreement that the theme still warranted inclusion within the LES Action Plan. Similarly, a number of issues that were identified in the original Action Plan are no longer necessary and these have been removed.

### **3.0 Discussions around the current Centres Action Plan**

- 3.1 This section seeks to take each of the actions outlined in 2.1 above and reflect on the need for this, amending as necessary. It should be noted that the key driver for this theme is the development of both the City Centre and the Derriford area and the need for a bi-nodal economy<sup>1</sup>.
- 3.2 Plymouth City Council has a number of initiatives that operate in the city centre. The Plymouth City Centre Company (PCCC) works with retailers within a defined area of the city (roughly bounded by the inner ring road). The business plan, covering 2010-2015 outlines a number of activities.
- 3.3 Amongst the activities there is a desire to increase visitor numbers and footfall through events and marketing. This will help to raise the image and profile of the city to promote a more vibrant centre and create a destination that is attractive to businesses, visitors and residents alike. These activities will also aid the co-ordinated work being undertaken to encourage new retail investment in the city as well as environmental improvements in the public realm.
- 3.4 The PCCC already has a number of successful initiatives in progress to enhance the city centre and improve the look and feel of the area. One such initiative is to improve the look of vacant units. Work is on-going at present to identify the number of ground floor units in the city and the proportion of these that are vacant; this work has yet to be finalised. It is thought that the current vacancy rate is around 14%.
- 3.5 Furthermore, in 2011/2012 the Council's Economic Development service is proposing a number of Star Projects, one of which focuses on city centre regeneration and potential development sites. This work will identify the key deliverable sites identified in the adopted City Centre AAP, packaging them appropriately and seeking developers to bring them forward. Work is being undertaken to appraise the opportunities and establish a process for developer engagement.
- 3.6 Finally, the Centres Regeneration Team (bringing together planning, economic development, property and other Council services) regularly meets to drive forward major projects including the development of the proposed new district centre at Derriford and the City Centre redevelopment projects in a co-ordinated way. It will do this by identifying the key infrastructure needs for each locality as well as the delivery needs of each major project.

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<sup>1</sup> The bi-nodal city is based around two nodes or centres in Plymouth, each of which provides for the growth and development for Plymouth. Factors such as high-quality flexible business space, appropriate land supply and sites, housing provision and services need to combine to provide the right environment for economic growth. In Plymouth the two nodes are located at the City Centre and Derriford. Each area has different characteristics to offer businesses and through their exploitation ensure that there is an attractive range of sites and premises for businesses to locate and to grow. The bi-nodal city will provide for a wide range of business types in order to maximise the potential of the city (e.g. some businesses will prefer to be in a central location whilst others on a business park of similar companies). As well as these components the two nodes need to be well connected to each other and to the residential communities around Plymouth to ensure that employment opportunities are available to all through easy and efficient access by a range of transport modes.

- 3.7 Below is an overview of the discussion points had about each of the current LES Centres Actions:

#### Appraise and implement the MacKay Vision

The Mackay Vision has been a vital catalyst that has underpinned the development of PCC's approach to transforming Plymouth into 'One of Europe's finest waterfront cities'. This vision has now been incorporated into and taken forward through the Core Strategy and its supporting Area Action Plans (AAP). All of these documents have been considered through extensive consultation and formal examination before their adoption by the Council as the statutory planning framework for the city.

LDF documents are subject to a rigorous process of consultation and should be underpinned by a thorough and robust evidence base, before being considered by an independent Government Inspector. Only once the Inspector has given the go ahead can they be adopted. The vision for Plymouth has been a key part of the evidence base, and this has ensured that the Mackay Vision has influenced the vision, strategy and proposals within the LDF, and in particular in the City Centre & University AAP and the emerging Derriford and Seaton AAP. Development proposals coming forward in these areas are then subject to appraisals through the normal Development Enquiry Service and ultimately the Planning application process.

The Vision for Plymouth has been crucial to the success of the Plymouth LDF, which has more Development Plan documents adopted than any other local planning authority in England. The Vision has been successfully appraised and implemented through the LDF, and in relation to the Centres Theme in particular has been thoroughly set out in the Core Strategy, the AAPs and the LES.

Alongside this there is a work programme outlining the delivery actions needed. This requires further development for City Centre and Derriford projects.

#### Complementarity between key centres, especially the bi-nodal area of City Centre and Derriford

The City Centre and Derriford are the two key elements of the bi-nodal strategy set out in the LES and LDF. This concept is based on the delivery of a new heart for the Derriford area to complement the primary role of the city centre as a regional hub.

Derriford:

The current action plan highlights the need to complete the Submission Draft of the Derriford AAP. This AAP is at an advanced stage and has been through several rounds of consultation. It has recently been published as a 'Pre-Submission Draft' for consultation before it can be submitted to the Secretary of State. Prior to any formal adoption, the AAP must be examined by an independent Inspector and found to be sound. Given the work still required, this is expected to occur in mid 2013. The work programme will be reflected in the revised Centres Action Plan.

## City Centre:

The AAP covering the City Centre and University has been adopted. The aspiration to bring forward key sites, such as North Cross, Colin Campbell Court and Cornwall Street as set out in this AAP have been discussed. These strategic sites are crucial to the delivery of the City Centre vision, as key sites in Derriford such as the Derriford District Centre are key to the delivery of the Derriford vision. Given the changed economic circumstances, it is now important to consider carefully how to deliver these sites and to begin in implementation work e.g. by engineering planning and site assembly work.

## Connectivity:

Connectivity, in its widest sense, is still a key issue and one which needs to be reflected in the LES Action Plan. It was felt that the current actions are valid to an extent but need to be more strongly worded. A number of specific links were identified during the discussion and should be included within the revised Action Plan. Work on the Northern Corridor Transport Improvement Corridor is underway through the Council's Transport Service. The Northern Corridor will aid the physical connection between the City Centre and Derriford and the A38 Parkway.

## Other Economic Hubs/Growth Areas – Enterprise Zone Bid:

The recent Enterprise Zone bid, covering sites in Plymouth and Langanage, and the potential for a Heart of the South West (HotSW) LEP local economic delivery mechanism, have provided the impetus to discuss whether a tri-nodal growth area exists in Plymouth, covering part of the neighbouring South Hams DC area as well as Plymouth City Centre and Derriford. Langanage is not a centre as such but is a large employment area in close proximity to the proposed Sherford residential development of 5,500 new homes together with commercial development. It is identified in the South Hams LDF and by Devon County Council as a strategic employment location serving South West Devon, and is identified for large scale expansion at the proposed Langanage Energy Park.

A successful EZ bid will require the City Council to work closely with South Hams DC on the delivery of the Zone for the benefit of both local authorities and the wider sub-region. The delivery of the Langanage element of the EZ will lead to increased cross-working with SHDC to deliver new employment development that will serve the new housing areas and be linked to the City Centre in a sustainable way by the Eastern Corridor highway improvements and the high quality public transport service that is at its heart. The City Council's Planning service is already delivering the planning policy framework, namely the Plymouth Urban Fringe DPD, on behalf of South Hams DC.

This above discussion concerns a tri-nodal city. However, at present, until the EZ is in place, the challenging and changing economic climate is focussing attention on the bi-nodal City with the two key areas of the City Centre and Derriford. Depending on outcome of the EZ bid, the concept of the tri-nodal city may need to be revisited.

Furthermore, the Heart of the South West Local Enterprise Partnership (HotSW LEP) has recently appointed its Board. The way the LEP will work across its large, diverse area in Devon and Somerset has yet to be determined. There may be opportunities to work on a sub-regional level. This issue is discussed in another paper at the PGB meeting on 18 July 2011.

Office accommodation and employment land development work

Since this action was commenced the economy has undergone dramatic changes affecting the ability of the City to support speculative development of offices or general employment space. The previous reference to speculative office development is no longer valid given the fragility of the economy and low office land values in Plymouth. There is some office and commercial space still being developed but this is at a very small scale and with public subsidy e.g. New Cooperage building at Royal William Yard.

Improve the housing offer

Improving the housing offer is felt to be an important area given the desire to grow the Plymouth population and also provide for increased economic growth. There is a need to provide housing options for workers within Plymouth but also for those locating to the city. The issue of housing demand and ensuring there is sufficient choice is covered through strategies elsewhere, within the Area Action Plans and the emerging Housing Strategy. As such, there is no need to replicate this action here but there is a need to ensure that the two are joined up.

It was therefore proposed that this should be removed for the LES Action Plan as it is already contained within the planning framework and the emerging Housing Strategy.

**4.0 Proposed Revised LES Centres Action Plan**

4.1 In light of the discussion points in para 3 above, the following activities should be included in the revised LES Centres Action Plan, identifying dates and lead actors as appropriate:

Core Component	
1. Ensure policy framework in place	<p>Continue to deliver the Area Action Plans to ensure development is appropriate and works towards the city Vision. The current strategies work well together to ensure development is sustainable and cohesive and complimentary by:</p> <p>1. Adoption of the Derriford and Seaton Area Action Plan</p> <p style="text-align: right;">Deliverer: PCC Planning Service Timescale: July 2013<sup>2</sup>.</p>

<sup>2</sup> The Planning service are currently completing the work programme for the Derriford and Seaton AAP and taking this document through to adoption. Because further evidence base work is required in response to matters raised during the Feb / March 2011 pre-submission consultation, as well as a need to respond to potential changes in the operation of Plymouth Airport, a revised AAP document will have to be prepared and consulted on before its submission to the Secretary of State. The

	<p>2. Keep City Centre AAP under review</p> <p>Deliverer: PCC Planning Service Timescale: 2011-2021</p>
<p>2. Deliver major projects and maximise the use of assets</p>	<p>There should be a greater focus on the use of the premises, units and development sites that are currently available.</p> <p>1. Identify development partners who can deliver major projects</p> <p>Deliverer: PCC</p> <p>2. Determine packages of projects attractive to development partners</p> <p>Deliverer: PCC</p> <p>3. Appraisal of packages and use of Council assets (address any funding gap and potential use of Plymouth Growth Fund)</p> <p>Deliverer: PCC</p> <p>4. Procure appropriate delivery vehicles</p> <p>Deliverer: PCC</p> <p>5. Consider major projects on the following sites:</p> <ul style="list-style-type: none"> <li>- Cornwall Street</li> <li>- Colin Campbell Court</li> <li>- Bretonside</li> <li>- North Cross</li> <li>- Land at former RM Seaton Barracks (for Derriford District Centre)</li> <li>- Plymouth International Medical and Technology Park</li> </ul> <p>6. Drive forward West End</p> <p>Deliverer: PCCC</p> <p>7. Use of current Council owned premises better to negate impact of vacancies through short term alternative uses.</p> <p>Deliverer: Plymouth City Centre Company Timescale: On-going activity</p>

<p>3. Improve Connectivity and Infrastructure</p>	<p>1. Lobbying:</p> <ul style="list-style-type: none"> <li>- Rail franchise</li> <li>- Airport Study</li> <li>- Digital Plymouth</li> </ul> <p>Deliverer: PGB partners Timescale: On-going activity</p> <p>2. Infrastructure:</p> <ul style="list-style-type: none"> <li>- Identify funding for North Cross project</li> <li>- Understand and model enabling works for North Cross</li> <li>- Pursue Regional Growth Fund bid for Forder Valley Link Road to Plymouth International Medical and Technology Park and A386 Tavistock Road</li> </ul>
<p>4. Inward Investment</p>	<p>To follow</p>

#### 4.0 Recommendation

5.1 It is recommended that the Plymouth Growth Board:

1. Approves the proposed revised actions outlined above for the Centres part of the LES Action Plan

Jeffery Kenyon  
Economic Development Co-ordinator

15 July 2011

## APPENDIX A

THEME 3 – CENTRES – ACTIONS & DELIVERY				
Core Components	Project Action	Delivery (roles) & Funding Implications	Linkage, synergy & best practice	Timescales
Centres Component 1 <b>Appraise and Implement the Mackay Vision</b>	<p><b>1.1</b> It is imperative that the Vision for Plymouth and LDF Core Strategy for the centre of Plymouth and Derriford is brought forward and taken to completion. The aspiration for an increase in the overall population of the City rests on the re-configuration of the City Centre as a multi-functioning, sustainable and vibrant urban location.</p> <p>The City Development Company must undertake more detailed appraisal work urgently to speed up delivery of major developments and implement these appropriately through entering into effective collaborative arrangements with the private sector.</p>	City Development Company, GOSW, SWRDA, EP, PCC	Linkage with Theme 1. Business – Core Component 1 Mobile and Expanding Investment – Property and Land; Theme 3. Centres – Core Component 3 Office Accommodation and Employment Land.	City Development Company Business Plan agreed by December 2007.
Centres Component 2 <b>Complementarity between key centres, especially the bi-nodal area of City Centre and Derriford</b>	<p><b>2.1</b> Complementary development is essential to the future of Plymouth. This must involve careful planning for the development of the main hubs – the City Centre and Derriford.</p> <p>Publication of the Derriford Area Action Plan setting out development options.</p>	City Development Company in association other land owning partners and SWRDA.	Theme 3	2006-2021.
Centres Component 3 <b>Office Accommodation &amp; Employment Land</b>	<p><b>3.1</b> Plymouth must exhibit an appropriate range of business sites and premises that maximise the attraction of high value added inward investment, as well as stimulating endogenous business growth – ranging from small scale business incubation space to large scale high spec office accommodation.</p> <p>Partners in the City should seriously consider the</p>	City Development Company.	Synergy with Mackay Vision; Theme 1. Business – Sector Action Plans; Theme 1. Business – core Component 1 Mobile and Expanding Investment – Property and Land; Theme 2. Skills – Core Component 5 Knowledge Transfer.	Develop plans for speculative office portfolio by June 2007.

THEME 3 – CENTRES – ACTIONS & DELIVERY				
Core Components	Project Action	Delivery (roles) & Funding Implications	Linkage, synergy & best practice	Timescales
	<p>development of <b>speculative, high quality office accommodation</b> in key locations across Plymouth. In particular, partners should consider development of showcase office accommodation in Millbay – a location targeted by the Mackay Vision as a key development opportunity area.</p> <p>This action should be undertaken in conjunction with the development of a range of flexible business spaces in other key, possibly waterfront based, locations, for the growth and development of smaller niche businesses that would support the growth of the key target sectors.</p> <p>In addition, high quality business incubation space should be developed within close proximity of the University of Plymouth in order to increase the potential of the university as a stimulus for high value added employment.</p> <p>The overall objective is to develop private sector interest in speculatively developing the Plymouth office accommodation offer.</p>			
Centres Component 4 <b>Improve the Housing offer</b>	<p><b>4.1</b> Development of a more mixed and higher quality housing offer should be taken forward. In particular, public partners should investigate collaborative arrangements with developer partners that would result in construction of high quality family accommodation.</p> <p>Overall, the residential property offer in the City must become more diverse, including an appropriate volume of affordable housing.</p>	Lead agency: Plymouth Housing Partnership.	Synergy with Theme 2. Skills – Core Component 1 Increase Level 4 Qualifications 1.2 Graduate Retention Programme.	2006-2021.

THEME 3 – CENTRES – ACTIONS & DELIVERY				
Core Components	Project Action	Delivery (roles) & Funding Implications	Linkage, synergy & best practice	Timescales
Centres Component 5 <b>Improve Connectivity</b>	<p><b>5.1</b> There are four components to this action area:</p> <ul style="list-style-type: none"> <li>Local stakeholders – public and private - should continue to lobby for improved linkage between Plymouth and other key locations. This includes lobbying for improvements to rail links to London, as well as road linkage to Exeter and other locations north and east of the City;</li> <li>Air links with key centres in the UK and beyond should also be developed further where possible;</li> <li>Connectivity within the City of Plymouth should be improved, especially connections between disadvantaged communities and key employment, leisure and retail areas;</li> <li>Connectivity between the Derriford area and the City centre, as well as other neighbourhoods across the city should also be developed further as a priority.</li> </ul>	Lead agency: Plymouth City Council	Links with Theme 3. Centres – Core Component 2 Complementarity between key centres.	Significantly improved public transport connections between Plymouth City Centre and Derriford by December 2016.