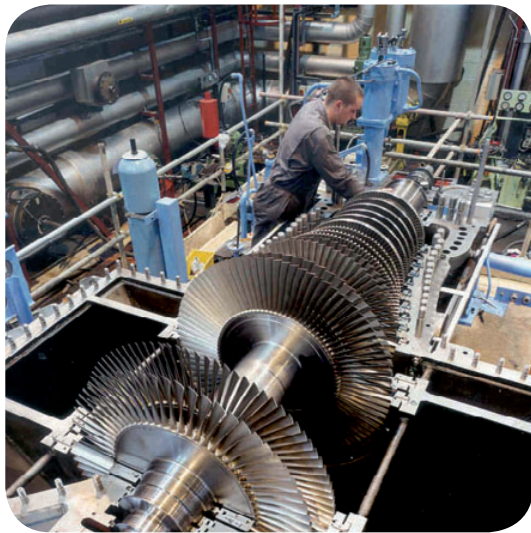


green investment bank peterborough



**Peterborough**  
HOME OF ENVIRONMENT CAPITAL

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To discuss why Peterborough is the perfect host city for the Green Investment Bank, please contact **Steve Bowyer, Head of Economic Development**, at Opportunity Peterborough:

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# foreword

Peterborough is an ambitious city with a diverse economy and clear plans for growth: it would be an excellent host city for the Green Investment Bank.

There is tremendous synergy between the Green Investment Bank and Peterborough, with both adopting innovative and ground-breaking approaches to finance and the environment.

Peterborough is proud to be the UK's Environment Capital and home to the country's largest cluster of environmental businesses. Our financial companies are breaking new ground in terms of growth and pioneering products, and our manufacturing sector is out-performing many of our competitor cities.

Peterborough is ideally located and supported by key infrastructure ensuring that any benefits and opportunities deriving from the arrival of the Green Investment Bank are accrued to a much wider geography – either through the formal Greater Cambridge Greater Peterborough Local Enterprise Partnership, or through the excellent relationships the city has built with other local partners.

Peterborough exceeds the criteria set out in the self assessment document and would be the ideal location for the Bank. Specialist staff can be recruited from an experienced local talent pool, the full transaction ecosystem can be accessed locally and the city offers exceptional cost-effectiveness in both commercial set up, running fees and personnel relocation.

Through the expertise and innovation of our local companies and their international reach across the global stage, together with the Green Investment Bank, we can deliver a sustainable transformation in the UK's economic and environmental landscape.

We would warmly welcome the Green Investment Bank to Peterborough.



**Stewart Jackson MP**  
MP for Peterborough



**Shailesh Vara MP**  
MP for North West  
Cambridgeshire



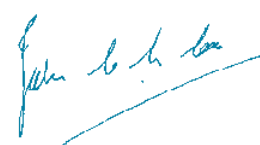
**John Bridge OBE**  
Chair, Opportunity Peterborough  
CEO, Cambridge & Peterborough  
Chambers of Commerce



**Councillor Marco Cereste**  
Leader, Peterborough City  
Council



**Neville Reyner CBE DL**  
Chair, Greater Cambridge-  
Greater Peterborough LEP

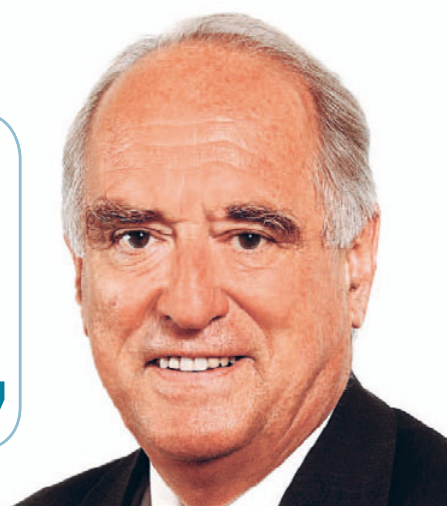


**John Cox CBE**  
Chair, UK Centre for Economic &  
Environmental Development



Peterborough has unrivalled strengths in the environmental sector and an impressive history in effective public and private financial transactions. I see the city as the ideal location for the Green Investment Bank to set up operation. The city is well-located and has the expert networks to enable the Bank to start delivering green projects rapidly and act as a real catalyst for the UK's green economy.

**Lord Mawhinney**  
Former Chairman of the Clydesdale Bank Business Centre



# executive summary

As the **UK's Environment Capital**, Peterborough has unrivalled expertise in the environment sector: a unique network of agencies, professional services and manufacturing that, through thought leadership and innovation, takes the green agenda to a new level. Combined with deep and extensive skills in the **financial services** sector, and the network of the professionals that underpin the local transaction ecosystem, Peterborough, fully supported by the Greater Cambridge Greater Peterborough LEP, is perfectly placed to enable the Green Investment Bank to deliver against its goals, rapidly and effectively.

Peterborough has the advantage of already being home to **major financial institutions** which draw heavily on the local expert ecosystem. A higher percentage of the population - higher than the national and East of England levels - are directly involved in the financial sector, working for companies as diverse as leading banks, such as Handelsbanken, Clydesdale and Barclays, and insurance companies such as BGL, Royal Sun Alliance and Diligenta, a subsidiary of the global giant Tata Consultancy Services.

There is no element of the **transaction ecosystem** which cannot be addressed in Peterborough. As one leading local finance organisation commented – they have never been in a city with a better or more accessible network of professionals.

The city's **environment cluster** of some 380 businesses is the UK's largest and includes companies, organisations and agencies across the full breadth of environmental expertise. Local teams of experts have been instrumental in bringing forward many of the UK's major environmental infrastructure projects: from **off-shore wind farms to energy from waste** and bio-mass plants. Main offices of global manufacturers of environmental solutions, such as Caterpillar Perkins and Dresser Rand are also based in Peterborough; benefitting not only from the city's skills base, but also the city's excellent location and infrastructure connections.

Peterborough is at the forefront of **thought leadership and innovation** in the environmental sector. UK CEED (the UK Centre for Economic & Environmental Development), the country's leading network organisation for environmental companies, is based in the city's Eco-Innovation Centre. Driving innovation through commercial and international collaboration, UK CEED has been recognised across the EU for its contribution to business development in this sector. The 'Peterborough Model', a pioneering web-based visualisation tool for managing the environmental performance of a city, developed by Peterborough through IBM and other partners, is receiving

interest from major cities at home and as far afield as New York and Cape Cod. World-renowned organisations such as Cranfield University are realising the benefits of working with Peterborough through their algae bio-fuels work and their new Chair of Renewable Engineering in partnership with the city.

Peterborough is **well located in the country**, providing links to London by rail in 45 minutes and direct routes to the northern cities of Leeds, York, Newcastle and Edinburgh, and east-west to Cambridge, Leicester and Birmingham. Connections directly to the City will be improved even further with the extension of the Thameslink service in 2015. As well as rail connections to Stansted Airport, four other national airports are within a 75 minute drive of the city, as well as international connections through Eurostar (via King's Cross), and Felixstowe Port.

Local connections are equally good with Peterborough boasting the fastest commute to work time in the country. This means that the economic power of the whole of the Greater Cambridge-Greater Peterborough Local Enterprise Partnership area is within easy reach of the city.

Peterborough is an ambitious city that embraces growth: it is the number one city for housing stock growth<sup>1</sup> and according to the McKinsey report of 2011 will be England's **fastest growing city by 2025**. Whether through the public or the private sector, Peterborough is adamant that commercially viable green solutions are vital to the economic, social and environmental sustainability of the city and the surrounding area.

As the leading city in the **2003 Lyons report** on government relocation, Peterborough is clearly well-placed in terms of its skills base, location, and cost-effectiveness. The city already has a critical mass of civil estate (96,000 sq m) including several DEFRA bodies, such as JNCC and Environment Agency. The city is, therefore, in an excellent position to integrate the Green Investment Bank into existing pan-government strategies, and as part of the forthcoming BREEAM Excellent government Eco-hub.

Combining the city's financial transaction ecosystem strengths, its environmental expertise and the ability to recruit high quality professionals locally, Peterborough is the ideal location for the Green Investment Bank. If the Bank wants to be in a position where it can set up and start delivering finance to major green infrastructure projects quickly, there is no better location than Peterborough.

<sup>1</sup> Centre for Cities "Cities Outlook" 2012

# local enterprise partnership

The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) wholeheartedly supports Peterborough's submission to host the Green Investment Bank.

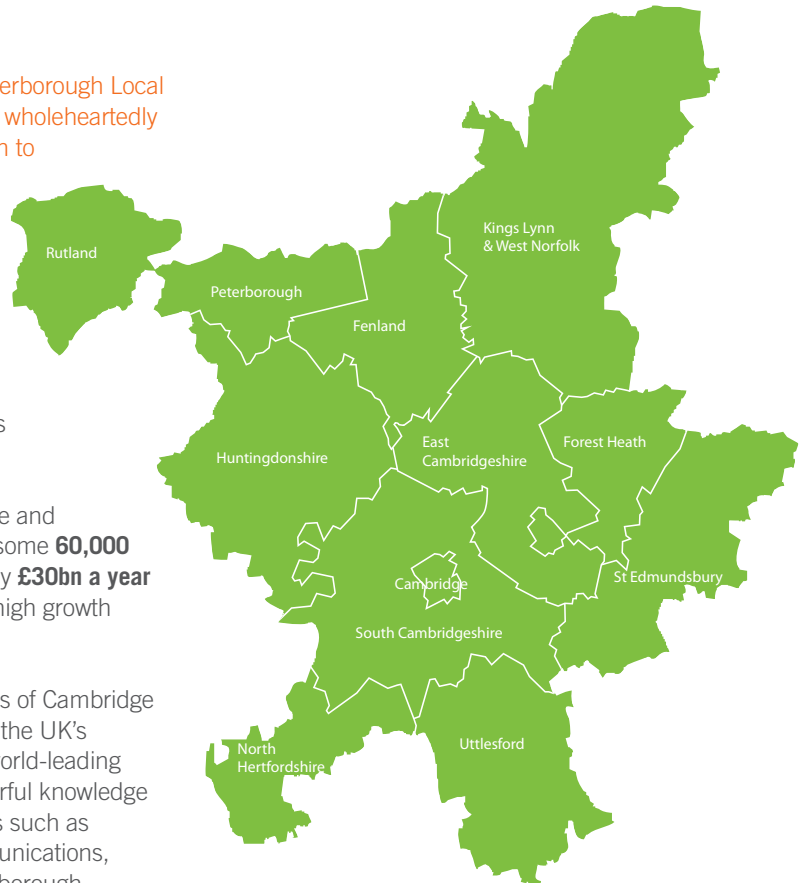
Our LEP area is a significant and distinctive economic geography that makes a net positive contribution to the UK economy and boasts some of the country's most globally competitive clusters which, if fostered, can lead the UK's economic recovery.

Anchored by the cities of Cambridge and Peterborough, our area is home to some **60,000 businesses** generating approximately **£30bn a year for the UK economy** in sectors with high growth potential.

The complementary economic areas of Cambridge and Peterborough support some of the UK's major growth companies. With its world-leading universities, Cambridge has a powerful knowledge base and is underpinned by sectors such as pharmaceutical, ICT and telecommunications, and health and life sciences. Peterborough has significant, and complementary, sectors in environmental goods and services, financial services, manufacturing, engineering and processing, water and energy, agriculture, food and drink.

The GCGP LEP is home to some **750 clean-tech companies** generating **£1.159 billion per annum** with future growth estimates of 4.5% expansion per annum. Major companies include **Aveva**, which supports a wider range of environmental fields, **Sentec**, advancing smart grid metering technology, and the **David Ball Group** which specialises in research and development of sustainable building products. The area is also home to internationally recognised companies such as **ARM Holdings**, a world-leader in microprocessor intellectual property, and **Marshall Aerospace** one of Europe's leading aerospace companies. The area has a strong cohort of environmental companies with strong prospects for growth, most notably in Peterborough but also across the area.

Equally the GCGP LEP area, particularly Peterborough, has a strong financial services industry and high occupancy rates in senior management levels. These complementary strengths provide a core network that will enable the Green Investment Bank to firmly establish itself quickly.



The GCGP LEP sits at an important interchange close to the heart of the nation. To the east we have the strength of the off-shore industry; to the west we are easily accessible to the manufacturers in the East/West Midlands. We also have direct access to London and the UK's major cities.

By establishing the LEP across the Greater Cambridge Greater Peterborough geography we have sought to ally two strong economies that have growth at the heart of their economic activity. This strength is important to UK PLC and the area's growth is vital to the UK's economic recovery.

With the worldwide reputation of Cambridge as a source of technology innovation and the combined strength of both cities, this area is a natural home for the Green Investment Bank. Through our global presence, dynamic business reputation and political commitment to economic growth, we believe our LEP has, through Peterborough's proposal, a strong case for consideration.

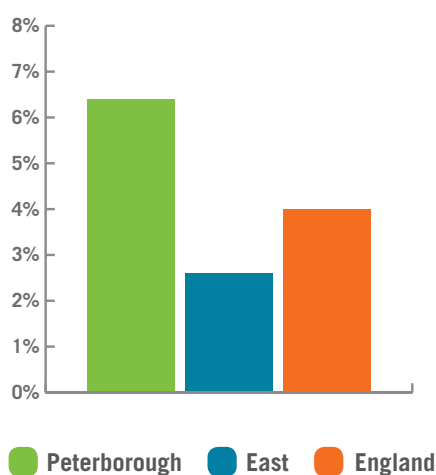
**Neville Reyner CBE**  
Chair of GCGP LEP

# financial expertise

Peterborough has a thriving financial services cluster made up of head offices and contact centres of major banks, prestigious insurance companies, and mortgage and insurance brokers. It is a diverse and deep sector that is flourishing and continuing to grow.

More than **6% of Peterborough's population** is directly employed in the city's **financial sector**, higher than the national average of 4% and the East of England at 2%. In the wider **finance and business sector**, which includes elements of the transaction ecosystem, 27,326 people in the city are employed within this sector, accounting for 28% of the Peterborough workforce (compared to 22% in England and 21% in the East of England). This strength is based on major brands establishing and growing their offer in the city, and new, fledgling businesses, expanding at an exponential rate owing to innovative financial products. The growth in existing companies and the arrival of new business demonstrates confidence in the ability to recruit and retain staff locally and the local transaction eco-system.

Figure 1: Financial sector employment



Source: ABI 2010

**Handelsbanken**, rated the second strongest bank in the world<sup>2</sup>, is a universal organisation providing everything from day-to-day transactional banking services to more sophisticated products and services for corporate customers. Although strongly focused locally, Handelsbanken also has access to broad expertise and experience through its international bank, with over 750 branches in 22 countries and 11,000 employees, which has directly supported a number of green technologies and projects across its area of operations.

**Clydesdale Bank**, founded in 1838, with over 7.5 million customers worldwide and now part of the National Australia Bank Group, has recently expanded its operations in Peterborough. It continues to invest in the market, providing support to local businesses through a range of innovative packages.

**Aldermore Bank**, a specialist lending operator with a key office in Peterborough, has undergone unprecedented growth. As a bank it provides expert advice on commercial mortgages across the country; it does not depend on the wholesale securitisation of international capital markets and is currently one of the most strongly capitalised banks in the UK. **BNP Paribas**, also located in Peterborough, provides security services to financial institutions including portfolio management services.

Now part of the UK's 2nd largest building society group the Yorkshire Building Society, **Norwich & Peterborough Building Society** employs around 500 staff at its Peterborough head office, recruited largely from the surrounding community. It is a significant player in the city and has recently launched its award-winning 'green mortgage' product.

Major insurance companies also benefit from the rich seam of skills in the city and surrounding locations. **The BGL Group** is one of the largest privately owned personal insurance brokers in the UK, employing 2,270 staff, mostly at its head office in Peterborough. With record growth and profitability for 14 consecutive years it is reaffirming its commitment to Peterborough, investing in new offices and expanding its staff complement.

**Royal Sun Alliance (RSA)** conducts major operations from its base in Peterborough's Lynch Wood Business Park and has recently announced plans to employ an additional 250 staff, while esteemed international company, **Diligenta**, a subsidiary of the Tata Consultancy Services, employs over 1,000 people in the city and continues to expand its operations.

<sup>2</sup> Bloomberg, 2011

# financial expertise

Financial transaction companies in the city include the head office of **Travelex** – the world's largest retail foreign exchange specialist – and those delivering innovations in the transaction process such as **Tata Consultancy Services** (with its **Innovation Laboratory**), and local SME PinPlus Ltd, which is gaining global interest.

The financial institutions can satisfy all of their requirements through the local transaction eco-system: legal firms, such as Buckles, Hunt & Coombs, Greenwoods, or Hegarty's; property valuers, Barker Storey Matthews, Savills, Carter Jonas and Strutt & Parker; and expert accountants such as Bulley Davey, MacIntyre Hudson and Rawlinsons.

These professionals are well supported by proactive networks in the city: Opportunity Peterborough and the local Chamber of Commerce provide a variety of events for business to business activity, while local companies also host professional forums such as the **Property Network** and the **Dealmakers Group**.

The Local Authority has drawn from this expert pool to develop a range of innovative public-private financial products. **The local mortgage scheme** supports first-time buyers and growth in the local housing market, while its **local insurance scheme** covers a range of negative life events, being aggressively priced and easy to access.

Strength in depth, strength in numbers, and strength through innovation: Peterborough's financial services sector continues to flourish and deliver economic growth across a much wider geography, acting as a major contributor to the UK economy.



Diligenta Headquarters, Lynchwood Business Park, Peterborough



# UK's environment capital

Peterborough's cluster of environmental companies, organisations and agencies has a global reach and a depth of expertise unrivalled in the UK.

The cluster includes **380 companies** - the largest in the UK - employs more than **6,000 people** and has a collective turnover in excess of **£680 million**. If the Green Investment Bank were to be located in Peterborough, this range of expertise, including technical environmental knowledge and financial investment acumen, would be at the fingertips of the Bank, enabling informed decision-making and more rapid transaction delivery.

Commercially the cluster includes: **consultant expertise**, providing specialist advice on national and international scale green infrastructure; **manufacturers** of environmental products; **organisations delivering energy solutions** on the ground.

## Unrivalled Expertise

Local teams of leading international consultancies have provided expert advice ranging from business modelling for major financial institutions to environmental assessments and due diligence for some of the UK's largest green energy solutions.

**Royal Haskoning's UK headquarters** has been in Peterborough since 1973. In 2011 the company won the Queen's Enterprise Award for International Trade, recognising the company's commercial growth and its influence on the environmental sector. The Peterborough team has provided advice on **19 on-shore and 10 off-shore wind farms**, including Thanet, the UK's largest off-shore windfarm, and Lakeside, the award-winning energy from waste plant.

Established in Peterborough in 1980, award-winning **LDA Design** is now regarded as one of the leading independent environment design and energy consultants in the UK. Specialist projects range from strategic planning and urban design to green infrastructure, including **100 off-shore and on-shore wind energy plants**, and biomass and energy from waste facilities.

The Peterborough team of **Davis Langdon**, now part of the AECOM family, has advised on environmental projects throughout the UK worth over **£1bn**, and internationally in Brazil, China, the Middle East and the USA. Their Banking Team advises banks and finance houses and as a result of that relationship can directly connect environmental projects to financial investment.

Other local companies include **Halcrow**, **Atkins** and **Hyder Consulting** – all experts with a broad experience in environmental sustainability – and the **Rolton Group**, whose CEO, Peter Rolton, is a member of the Renewables Advisory Board of the Department of Trade and Industry.

## Green Manufacturing

Peterborough has been a manufacturing hub for many years. While other areas of the UK have seen their manufacturing performance decline, the East of England has grown and Peterborough has been a leading light in this renaissance.

**Perkins** has been a mainstay of the Peterborough economy for over 75 years. Its partnership with **Caterpillar** has led to continued advancement in the environmental performance of engines, and further expansion into global markets. As part of the Energy Technologies Institute, Caterpillar is working alongside other global industries to meet the UK's 2050 climate change targets.

Global giant, **Dresser Rand**, through its products in combined heat and power, biomass, wave energy, waste-to-energy, CO2 sequestration and compressed air energy storage, has the expertise to help achieve clean energy goals.

**Applied Energy**, which includes household names Expelair and Creda, have recently relocated to new premises in Peterborough as a result of company growth, and its research and development of new environmentally sustainable products continues to make it a market leader.

The city also has a strong base of SMEs in the environmental manufacturing sector. **Midas Technologies** is a steel product manufacturer for a wide range of industries including water, nuclear and environmental. It is advancing cutting-edge technologies, such as its subsidiary Aquavent's water regulating devices that are improving environmental and commercial performance across the UK.

**Radical** and **Lightning** are also driving innovation: their high performance electric cars remove the consumption of fossil fuels in this burgeoning leisure industry.

Across the wider LEP area, major high-tech manufacturers are supported by the R&D and knowledge powerhouse of Cambridge and its world-leading universities, all in a position to contribute their expertise to the Green Investment Bank.



# UK's environment capital

## Delivering Solutions

Peterborough companies are also delivering practical environmental solutions on the ground.

**PREL** (Peterborough Renewable Energy Ltd) has been providing safe and sustainable solutions for the waste and energy industry for 10 years. Its £500 million Energy Park Peterborough, will be the UK's first sustainable biomass from waste power station and is scheduled to start construction in 2012.

**The Larkfleet Group** is a privately-owned house builder and development organisation with a strong record in creating sustainable homes, delivering some 700 code 3 & 4 houses since 2009 through a variety of sustainable fabric and renewable energy solutions. As a result, the Group has been involved in a range of Technology Strategy Board projects.

As well as the City Council establishing an ESCO in Peterborough, public sector-led initiatives currently being delivered include:

- Carbon Challenge, South Bank – the UK's largest Code 6 housing development;
- Skills Centre – a re-build of the football ground's east stand to provide a BREEAM Excellent training centre and innovation hub;
- 91% of local schools as Eco-schools and extensive roof-top PV installations;
- Working with Cranfield University to establish demonstrator sites for algae biofuel technologies as a launch pad for wider industrial take up.

Award-winning expertise and commercial viability underpin Peterborough's Environment Capital status and can similarly underpin the groundbreaking work of the Green Investment Bank.



Teesside biomass facility. Cost advice provided by Davis Langdon Peterborough office.

Not only are Peterborough's businesses driving innovation, the range of organisations and agencies in the city are leaders in developing new products and ways of working to realise true economic, environmental and social growth.

The **UK Centre for Economic and Environmental Development** (UK CEED) was founded in 1984 by far-sighted leaders from business, government and science, including Sir David Attenborough, Lord Jenkin of Roding, Sir Derek Barber, now Lord Barber of Tewkesbury, and the late Sir Arthur Norman, former president of the CBI. It aims to bring together economic and sustainability principles by demonstrating the economic benefits of sound environmental practice.

Located in Peterborough, UK CEED works to drive eco-innovation, the global competitiveness of clean-tech companies, and inward investment. It is also coordinating EcoCluP (Eco-innovation Cluster Partnership) for the European Commission which aims to support the growth and internationalisation of 3,500 eco-innovative SMEs across the continent.

UK CEED operates from its base in the Eco-Innovation Centre which, since its launch in 2008, has incubated over 40 new environmental companies. Due to high demand for space, plans are currently being finalised for a second eco innovation hub with over £7m of private sector investment.

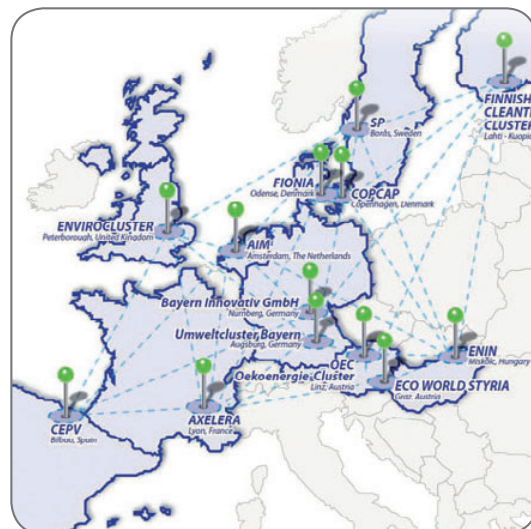
In 2010, UK CEED and **Anglian Water** launched the **Water Innovation Network**, a new cluster based on the concept of "open innovation". The network aims to drive innovation in the water industry by encouraging supply chain solutions for the water industry. Over the last year, over 70 innovations have been submitted to Anglian Water, the vast majority going forward for further development. Due to its success, the Water Innovation Network will be gradually rolled out across the country.

Local agencies, which include **Natural England**, **Joint Nature Conservation Committee** and the **Environment Agency**, all based in Peterborough, are directly advising central government on a range of policy issues to ensure effective development in the environmental and energy sectors.

**Peterborough Environment City Trust**, established following Peterborough's designation as one of only four environment cities in 1992, is undertaking ground-breaking work in 'greening' communities and businesses. PECT has been instrumental in many environmental initiatives in the city: attracting funding for retro-fit projects; developing adult skills through its 'Greeniversity' skills-sharing programme; and launching 'Investors in the Environment', a framework for local businesses to cut their environmental impact with over 600 businesses having pledged their support.

Recognising the economic benefits of sustainability, Opportunity Peterborough commissioned **Forum for the Future** to develop the "Sustainable Urban Enterprise – Creating the Right Business Environment in Cities". This document, which highlighted the most effective routes to sustainable cities and their economic advantages, received wide-spread media coverage thus promoting thought leadership across the widest possible audience.

This degree of environmental expertise is unparalleled in the UK. Organisations in Peterborough are not merely influencing policy, but are driving commercially viable innovation and energy initiatives and reinforcing the business case for truly sustainable environmental solutions.



## Case Study: The Peterborough Model

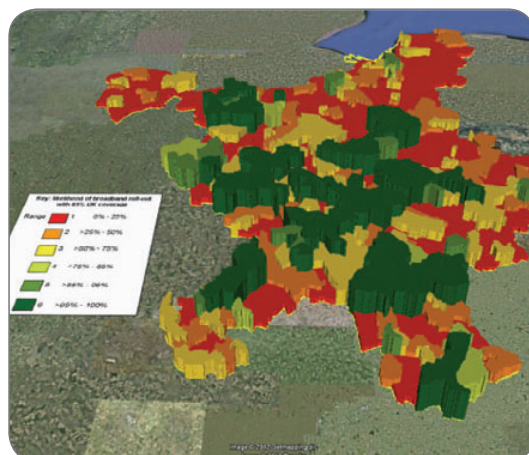
The 'Peterborough Model' is a web-based platform which visualises the environmental performance of a city and enables improved collaboration across agencies, utility companies, stakeholders and communities to enhance performance.

Based on source data from a wide range of fields, the Model uses Google Earth as a visual mapping platform, enabling animation and virtual fly-throughs. Presented in this way, data showing the environmental performance of buildings, energy demand or waste management can be brought to life.

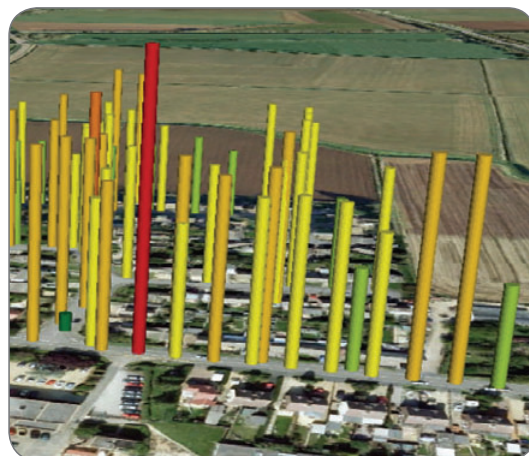
The Environment Agency is exploring testing the Model in the North East to deliver the Water Framework Catchment Plans, Climate UK is already piloting the Model for driving a faster pace of change in required adaptation measures across England, and Infrastructure UK with the Treasury have a watching brief on the visualisation and collaboration platform delivered to the GCGP LEP as to its possible application to the National Infrastructure Plan.

The Model's value in mapping and visualising infrastructure requirements and economic development potential is now being recognised by a number of Local Enterprise Partnerships (LEPs). The very first to commission such modelling was the Greater Cambridgeshire and Greater Peterborough LEP, with a particular emphasis on aligning the evidence base relating to infrastructure requirements, business clusters and skills. The work will form the foundations of future LEP level collaborations and action planning.

It is a joint initiative between the City Council, Opportunity Peterborough, IBM, Royal Haskoning and Green Ventures. This initiative could only have come together in Peterborough where the expertise and collaborative networks exist to explore innovative solutions to environmental challenges.



Broadband roll-out across LEP area



Driving social change: SAP ratings in Glinton village

"IBM European Green Innovation team has been greatly impressed with Peterborough's leading-edge approach to delivering city scale sustainability through our work on accelerated collaboration and visualisation. In particular the way the city has been able to mobilise the cleantech sector through 'Envirocluster' which is recognised nationally, and to bring together public and private leaders to actively work on the sustainability agenda - combining social, economic and environmental aspects."



Ian Abbott-Donnelly,  
IBM European CTO "Big Green Innovations and Smarter Cities"



## Case Study: PinPlus Ltd

Established in Peterborough 18 months ago, online security pioneer PinPlus Ltd launched its revolutionary pin+™ technology at the prestigious InfoSecurity Europe show at Earl's Court in 2011, in conjunction with technical partner, Bracknell-based Winfrasoft Corporation.

pin+ is designed to rid the modern world of one of its greatest problems: passwords. It strengthens vulnerable, hard-to-remember fixed user-IDs – allowing users to generate one-time log-in codes that can be used any time, anywhere instead.

The software allows web portal owners like banks or Government departments to provide millions of users with one-time code login facilities, without the need for extra hardware, such as code generating devices or mobiles.

The company has already acquired three major users of its system, including one of the UK's largest health authorities, a City wealth management firm and large South African law firm, Webber Wentzel. PinPlus also presented its software to the UK Cabinet Office, which is leading the Government's search for something more secure and easier to use for the wider population than old-fashioned passwords.



“As a base from which to develop this technology, Peterborough has a wealth of consultants and other experts who have helped us, and a true heart for not sitting on its laurels. It proved itself to be a worthy base from which to launch what we hope will be a technological revolution.”

Jonathan Craymer, Managing Director,  
**PinPlus Ltd**

# workforce

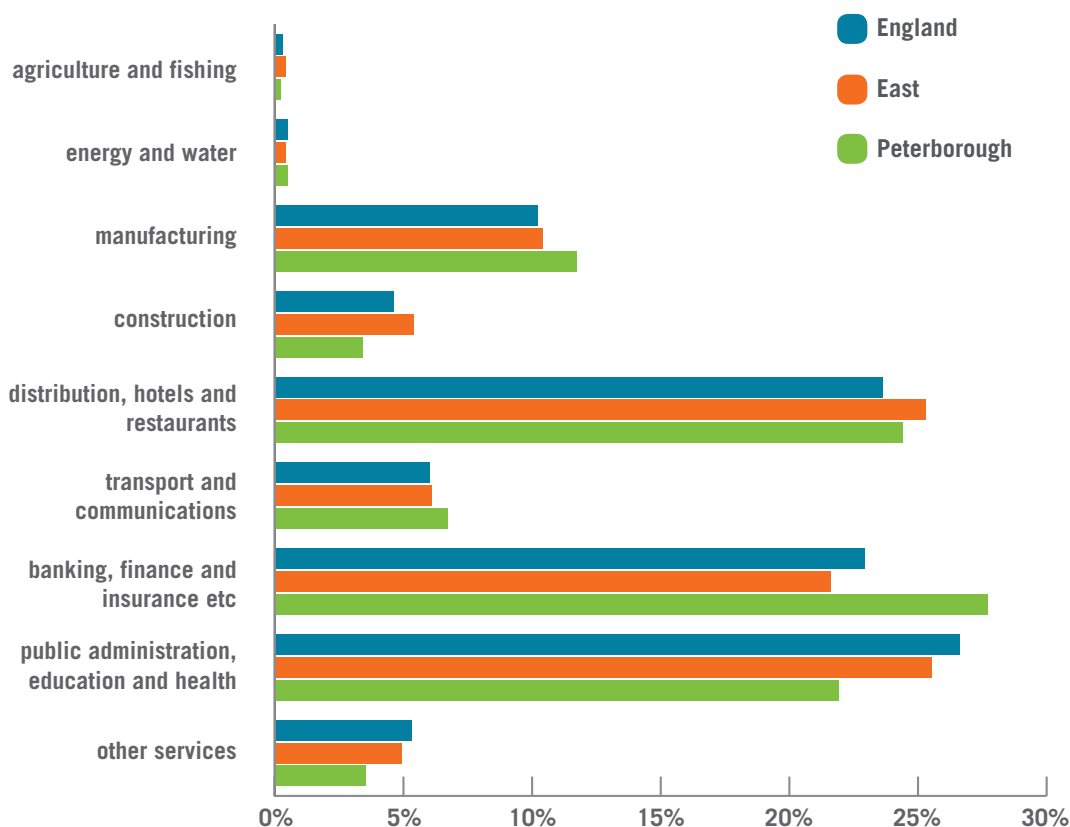
Around 65% (111,800) of Peterborough's population is of working age and almost 30% are between 15-24, higher than the national average, and meaning there is a tremendous workforce from which to recruit. This is also a highly qualified professional workforce, active in the Peterborough or the surrounding area or commuting to the City of London through the city's great transport connections.

## Business

Few cities in the UK can match the diversity of businesses that are based in Peterborough: almost every sector is represented either in the city or in the wider LEP area. Figure 2 shows the mix and focus of business activity in the city in comparison to the East of England and the national picture. It is interesting to note not only an under-reliance on public sector employment through private sector enterprise, but also the predominance of the banking, business and finance sector activity.

This breadth of business activity is reflected in the range of skills within the city's workforce. Although there are perceptions of lower end economic activity in distribution and logistics, this sector is advancing its skills quotient through management, robotics for machinery and IT support services.

**Figure 2: Number of employees by industrial sector**



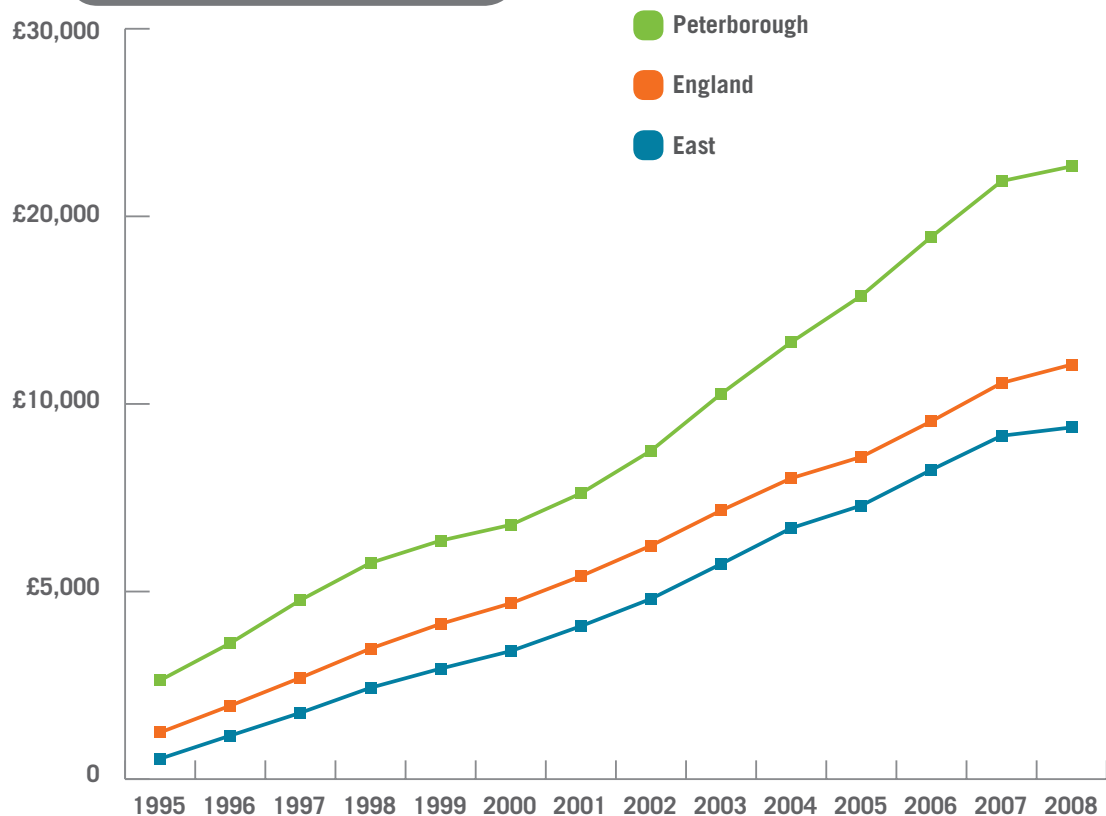
Source: Annual Business Inquiry, Workplace Analysis, Employees, 2008

Robotics, high performance technology and cutting-edge research also underpin the advanced manufacturing sector, which is particularly strong in Peterborough, as well its food and drink sector where economic activity ranges from production and processing to the advanced food technology research carried out by companies such as AB Agri and British Sugar.

## The Peterborough Economy

The quality of the Peterborough economy can also be reflected in its GVA. The graph below presents GVA per head in Peterborough. Interestingly, Peterborough's GVA per head is consistently higher than the national and regional averages. 2008 data suggests that Peterborough's GVA per head is £26,332 compared to £21,049 nationally and £19,375 regionally.

Figure 3: Gross Value Added Per Head 2008



Source: ONS Gross Value Added, 2008.

### Employment

Although nowhere has been immune from the effects of the macro-economic recession, Peterborough businesses have announced significant growth during this period. According to claimant count data, unemployment in Peterborough has fallen by 0.6% between October 2009 and December 2011. With a significant drop of 0.4% over the last consecutive 5 months, this is in stark contrast to other areas which have experienced a significant increase during the same period.

Figure 4: Claimant Count Unemployment Rate

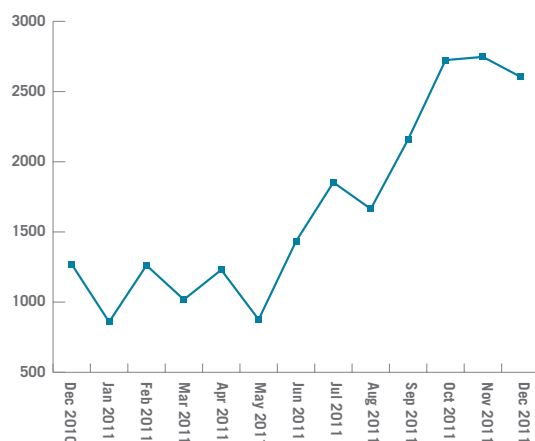


Source: Claimant Count with rates and proportions October 2009-December 2011



# workforce

**Figure 5: Jobcentre Plus vacancies (2011)**



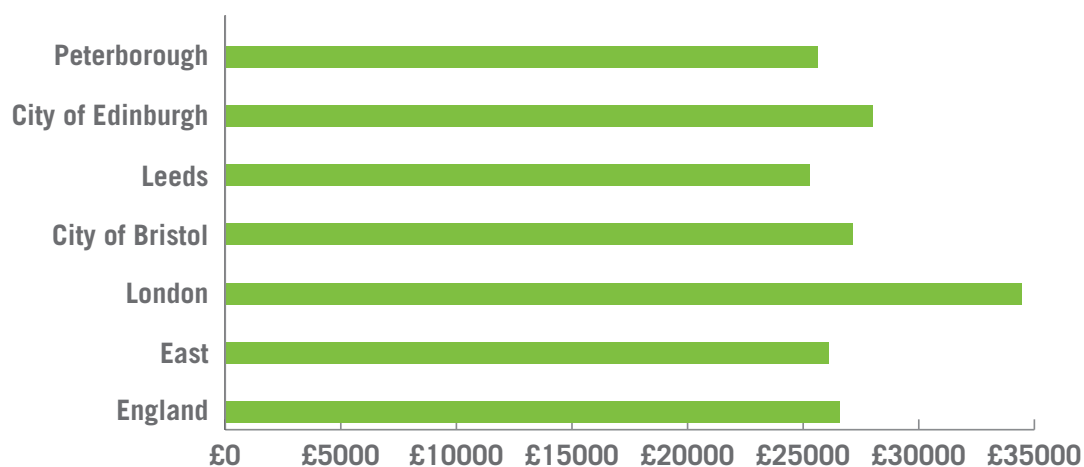
Source: Jobcentre Plus vacancies (2011)

Encouragingly, job vacancies have shown positive signs of growth too. Families relocating to Peterborough would be well placed to benefit from other job opportunities available in the city itself or in the wider economic geography. Jobcentre Plus vacancies saw a 105% increase in year on year growth between December 2010 and 2011.

## Earnings

Salaries in Peterborough are slightly below the national average. This reflects that the skills and salary expectations are still healthy in Peterborough, but could represent real savings in terms of establishing the Green Investment Bank in the city. A **saving of £9.3 million** could be achieved on the complement of 70 staff (staff levels for Green Investment Bank as indicated by Government) over a 15 year period against the London average.

**Figure 6: Median Gross Workplace Earnings 2011**



■ Annual Pay (Gross)

Source: Annual Survey of Hours and Earnings (2011)

Opportunity Peterborough, the local economic development company, has led a pioneering programme for integrating local businesses directly with local skills providers (the Peterborough Skills Vision) ensuring that both maximise the benefits of enhanced skills. This has seen remarkable results in the take-up of apprenticeships, experience opportunities and direct engagement and is gaining attention from other locations seeking to replicate the model.

Peterborough has taken major steps in the transformation of its education and skills development programme. Over £135 million has been invested in the schools, academies and university centre, and an innovative partnership (Universities@Peterborough) has been formed with leading universities to address this former higher education 'cold spot'.

### Higher Education

Peterborough's Higher Education offer has taken giant strides forward in recent years. The establishment of University Centre Peterborough (UCP) in 2009, a joint venture between **Anglia Ruskin University** and Peterborough Regional College, has seen incredible success with exceptional recruitment rates. As well as bespoke courses in leadership and management, engineering and media, **UCP** is also developing its 'green skills' agenda with the local business network.

Anglia Ruskin University has globally recognised expertise in environment and finance. This includes the work of the Global Sustainability Institute which chairs the Capital Markets Climate Initiative (CMCI) on behalf of Greg Barker MP, Minister for Climate Change. Principles established by the CMCI will help governments create the right frameworks to mobilise much larger flows of capital investment into climate solutions in both developed and developing countries.

**Cranfield**  
UNIVERSITY



**Anglia Ruskin**  
University

**Middlesex**  
University  
Work Based Learning



UNIVERSITY OF  
CAMBRIDGE

**Cranfield University** has a worldwide reputation for excellence in aerospace, defence and engineering among others, with their expertise also extending into many aspects of renewable energy including novel offshore and onshore wind technology, algae-based biomass production, wave and tidal energy, waste to energy and water innovation.

The Centre for Renewable Energy and Bio-fuels, developed between Cranfield, Peterborough City Council and PREL, will develop and deliver a range of programmes and research projects, as well as support local employers in the Peterborough area working to develop renewable energy, bio-fuels and environmental innovation.

**Middlesex University's Institute of Work Based Learning (IWBL)** is the global leader in the design and delivery of work based learning solutions. Their Doctorate approach has received international recognition and the University was presented with a Queen's Award for Enterprise in 2011 for its outstanding achievement in international trade. IWBL works with a number of UK and international banks delivering leadership programmes achieving significant business results and is bringing these to Peterborough.

Other universities and institutions across the LEP area are supporting the Peterborough bid, such as the University of Cambridge, bringing with them world class facilities, research and training.

### Our supporters:

*"The City has already demonstrated a high level of commitment to delivery of a sustainability agenda to provide a greener, cleaner city for its businesses and residents. Cranfield is now delighted to support Peterborough's bid to host the Green Investment Bank."*

### Cranfield University

*"We are impressed with Peterborough's vision for economic and skills growth and enjoy success in working with a number of organisations in the city."*

### Middlesex University IWBL

*"Anglia Ruskin has partnered with Peterborough Regional College to launch the University Centre Peterborough to enable the city to offer higher education provision within its boundaries."*

### Anglia Ruskin University

*"The University of Cambridge expresses very strong support to bring the Green Investment Bank to Peterborough, for which there is real value for us, and the UK."*

### University of Cambridge

# ancillary support

With over 27,000 people involved in finance and business services in Peterborough, almost 28% of the city's population, this represents a higher level of support skills in these industries than the national and East of England averages. This skilled workforce provides backroom support across a wide range of disciplines, from IT support and HR through to call centre management, business development and media advice.

Work done by King Sturge, as part of the **Lyons Review** in 2003<sup>3</sup>, demonstrated that Peterborough was consistently in the top quartile for Information Support, Back Office and High Value Back Office functions. This offer has only increased with the local focus on skills development and training and the major investment made by the city in its education infrastructure.

Reflecting both Peterborough's rich talent pool in these functions, and the city's attractiveness for investment, nationally renowned IT solutions group, **Kelway**, is developing a 30,000 sq ft, BREEAM Excellent building in Peterborough, creating over 350 new jobs. Kelway is the UK's market leader in IT solutions and services. With revenues exceeding £260 million and 800 staff nationwide, it services over one third of the FTSE 100 companies. Its decision to locate a main office in Peterborough demonstrates confidence to recruit locally and appreciation of the city's growth aspirations for an expanded its client base.

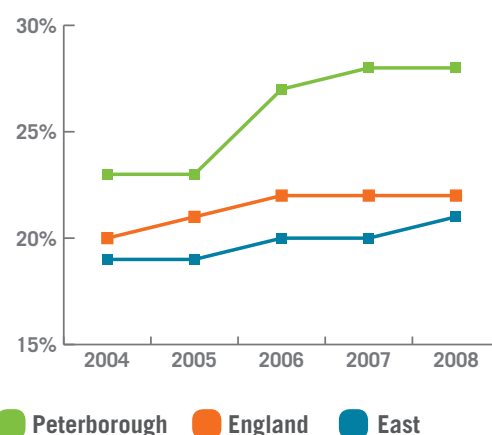
International giant, **Serco**, has recently entered into an agreement with the City Council to provide its backroom services, and is rolling out its engagement to the private sector across the city. Serco has demonstrated a clear commitment to Peterborough which could equally be offered to the Green Investment Bank were it to be located

in the city, with the necessary relationships in place to facilitate that provision.

Peterborough is also well serviced with business continuity providers, ensuring local companies are fully supported during times of unplanned disruption. The city benefits from local expertise provided by **Net Support** and **DSM**, who offer services ranging from workplace recovery, cloud hosting, online back-up and rack space in safe and secure environments.

Recruitment services are equally strong in the city with national companies and established local entrepreneurs providing specially tailored services. Local economic development company, Opportunity Peterborough has developed excellent links with all these parties to facilitate the arrival of new companies

**Figure 7: Proportion of employees working in the financial and business services sector**



<sup>3</sup> Independent Review of Public Sector Relocation, King Sturge December 2003



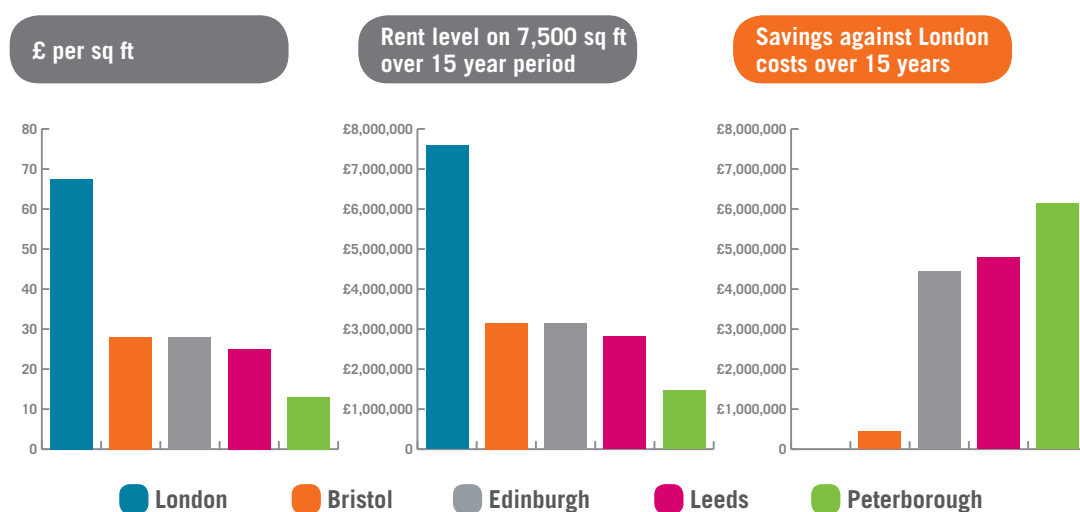
Kelway's new offices, Opus Business Park, Peterborough



Peterborough has a tremendous range of office and land opportunities in both its vibrant city centre and professional business parks. Most significantly, the office provision is both high quality and affordable: even on a small unit of 7,500 sq ft, (for a Green Investment Bank complement of 70 staff) over **£6million** could be saved over a 15 year period against a London benchmark figure – better than any other major city (see graphs below). Clearly larger units would attract even greater savings were the Bank to expand, and even BREEAM quality buildings would also attract lower rents than comparators.

Almost any requirement of size, style and facilities can be met in Peterborough and property prices are affordable without any reduction in quality. In the city centre, office property can be secured at only £13 per sq ft, in Grade A offices such as Stuart House, which could be occupied immediately.

Nearby, in Peterborough's professional quarter and only 3 minutes from the mainline railway station, is Kings Chambers. This unit, providing over 6,000 sq ft of refurbished office space, could be retrofitted and leased by the Council, providing **BREEAM Excellent** equivalent space for as little as **£15 per sq ft**. This location would be ideal in the first instance for the Bank in terms of embedding into the local professional network.



Source: Savills Winter 2011

#### Peterborough Eco-hub

The Peterborough Eco-hub is a major development coming forward immediately next to the mainline railway station. The city council is looking to locate in 70,000 sq ft of the initial phase of BREEAM buildings to provide confidence and critical mass. The Peterborough Hub Advisory Board, comprising both central and local government estate leads, has received the support of the Government Property Unit. BREEAM Outstanding rent levels would be in the region of £18 per sq ft (compared to £27 in other city locations), providing ideal grow-on space for the Green Investment Bank, for the future expansion of its operations.

#### Out of Centre

Further out from the city centre, but close to local financial institutions, **Lynchwood House** is an award-winning **BREEAM Very Good** office headquarters. Set within over 20 acres of mature landscaped grounds it consists of 106,000 sq ft of offices, plus sports hall, gymnasium, café and shop. It can be sub-divided easily to suit any requirement and at a rate of £13 per sq ft is available for immediate occupation. A recent study has indicated that it could be easily retro-fitted to meet the highest BREEAM standards.

Design-and-build options are available at Lynchwood Business Park and Cygnet Park, and Peterborough has the expertise among local professionals to provide cutting-edge environmental design. Bespoke buildings of 8,000 sq ft - 13,000 sq ft, could be available from late summer 2012, with anticipated rental levels in the region of **£15-£17 per sq ft for BREEAM Excellent** construction (rather than the rent levels of £23-£27 per sq ft for BREEAM rated property in other cities).

At rent levels around £13 per sq ft, or even £17 per sq ft for BREEAM Excellent, the affordability of this offer would remove unnecessary financial burdens from the Green Investment Bank, freeing up more money for investment into green projects.

Lynchwood House



# connected city

Situated at a crossroads in the country, Peterborough benefits from excellent infrastructure connections both north-south and east-west and is a nationally important strategic transport hub. Not only are London's financial institutions quickly accessible, but most of the major UK cities are also within easy reach. The majority of connections can be made by rail – the most environmentally-friendly mode of transport over those distances.

## By rail

Trains between Peterborough and London take just 45 minutes, and direct routes run north to York, Newcastle and Edinburgh. Leicester, Nottingham and Birmingham are easily accessible by train, as is Cambridge in just 50 minutes.

In less than 4 hours, the international markets of Paris, Lille and Brussels can be accessed via King's Cross - St. Pancras International.

## By road

Peterborough is situated on the A1(M) providing quick connection to the north and south. The city is also linked east-west by the A47 and the A14, with Cambridge only 40 miles away, and the Felixstowe and Harwich international ports only a 2 hours drive to the east.

## By air

Peterborough is supported by several easily accessible domestic and international airports, of which 5 are international airports within a 75 minute drive: Stansted, Birmingham, Heathrow, Luton and East Midlands. Our closest airport is Stansted, taking just 1 hour to by car and 1 hour 20 minutes via direct train.

## Local connections

Peterborough boasts the UK's fastest commute to work time. With our extensive and integrated road network and parkway system, residents can travel from one side of the city to the other in only 15 minutes.

The city's award-winning Travelchoice programme was established in 2004, with Peterborough becoming one of only three Sustainable Transport Demonstration Towns in the UK. This initiative has been reinforced with a further £5 million of funding from the Department of Transport, encouraging residents to walk, cycle, car-share and use public transport to reduce Peterborough's reliance on the car and improve health and environmental performance.

Peterborough's Green Wheel is a unique 45 mile cycle network and is recognised by The Telegraph as the second best cycle route in Britain<sup>4</sup>.

## Infrastructure investment

With Peterborough's proximity to London, the number of commuters between the cities has increased by 30% in the last decade, and is set to double between 2009 and 2034. In total, more than 4 million people currently use Peterborough train station each year. The rise in traffic and Peterborough's significance as a strategic transport hub has instigated a £43m upgrade of Peterborough station. The works, which are due to be completed by December 2013, will see increased capacity, extra platforms and enhanced amenities.

Importantly, this investment will extend the Thameslink service to Peterborough, enabling direct travel to Farringdon and Moorgate stations and the heart of City of London financial institutions.

<sup>4</sup> The Telegraph 'Activity and Adventure' 2008



# connected city



Peterborough is a **historic, cosmopolitan city** home to a lively, multicultural population of 170,000, in which a range of faiths and cultures is celebrated. We have a wider catchment area of 660,000 people which includes a number of picturesque neighbouring market towns and villages.

Peterborough's residents benefit from an excellent house price to earnings ratio index. Property in Peterborough is both attractive and affordable and ranges from vibrant city centre accommodation to thatched stone village cottages. Figure 8 indicates the range of house prices in Peterborough. This makes the city an attractive destination for the families of staff of investing companies to relocate.

Figure 8: Varying House Prices

	Peterborough	Leeds	Bristol	London
Average House Price	£155,933	£170,624	£211,576	£440,230
Detached	£238,864	£298,336	£397,542	£810,234
Semi detached	£136,525	£160,128	£237,783	£468,533
Terrace	£109,197	£126,748	£193,692	£479,684
Flat	£84,806	£123,520	£177,490	£362,073

Source [www.bbc.co.uk](http://www.bbc.co.uk), sourced from the Land Registry. House Prices between July-September 2011

Businesses in Peterborough find it easy to recruit and retain staff owing to the city's exceptional quality of life.

For families locating to Peterborough, there is a wide variety of entertainment, culture and festivals to enjoy. The city has **one of the highest ratios of green space per person** in the UK and our acclaimed green wheel cycle route offers a unique way to explore the open-space.

The city boasts a **wealth of rich heritage**, including our stunning Norman Cathedral, one of the finest in the country, the Bronze Age archaeology park of Flag Fen, and the Elizabethan majesty of Burghley House. Children can enjoy the steam train trips of Nene Valley Railway, which run from the picturesque village of Wansford through to the centre of the city, or the wide open spaces of the 2,000 acre Nene Park.

The leisure and retail offer, which although already excellent has further improved, even during the recession, and Peterborough has again bucked the trend by recently **attracting major investors** such as Patisserie Valerie, Carluccio's, Schuh, Virgin Media and Pandora to name just a few. For sports interests there are a number of golf courses, a 1000m rowing lake, the city centre's 1930's lido, or for spectators, Peterborough United FC, the Phantoms Ice Hockey premiership team and two major rugby clubs.

Peterborough's residents enjoy a great quality of life. Living costs are more affordable, there has been major investment in health and education, and green spaces and leisure opportunities are easily accessible. It is this environment that would be available to the Green Investment Bank and its families: a city of opportunity.





We have set out what Peterborough can offer the Green Investment Bank, now we would like to outline what we think the Green Investment Bank could do for Peterborough: socially, economically and culturally.

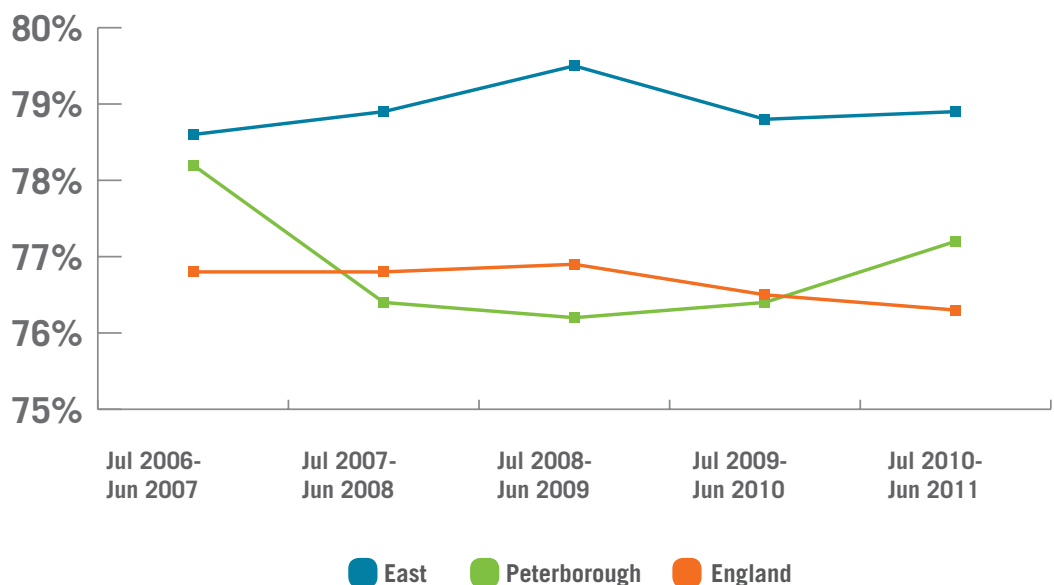
The city is embarking on a phase of unprecedented growth and regeneration: inspired by the public sector and delivered by the private sector to ease the burden on the public purse.

On the housing front, our city is delivering the UK's largest zero carbon homes project on the South Bank, and **5,000 new homes** are coming forward at Great Haddon to the south of the city. In employment terms **3,000 jobs** have been announced in the last year alone and new initiatives such as the Eco-hub next to the railway station will only increase those employment opportunities.

We do recognise, however, that the city faces challenges. Some of Peterborough's wards are among the most deprived in the country (see Figure 9). Creative solutions are being implemented, however, across all sectors, to address this issue. The Royal Society for Art's Citizen Power Programme in Peterborough has attracted over **£900,000** to deliver groundbreaking community development projects, which has received national media and government interest.

Although there has been an increase in employment, even during the recession, our economic activity rate is relatively weak, as is the overall employment rate. However, as has been demonstrated, Peterborough clearly has the potential to counter these trends and recent investment activity, along with that of the Green Investment Bank should it be located in Peterborough, will cement that resilience and transformation.

Figure 9: Economic Activity Rate



Source: APS July 2010 - June 2011 data, Nomis

# benefits to locality

The local business community has shown its commitment to strengthening the city's workforce, with over 350 companies signed up to the Peterborough Skills Vision initiative and apprenticeships at a higher rate than pre-recession levels. NEET levels, however, are higher than the national average (8.2% in November 2010 compared to 6.1% nationally<sup>5</sup>) so we appreciate that we still have a lot to do.

## So how can the Green Investment Bank help our city?

Peterborough is on an upward trajectory. It has ridden the trials of the recession better than many other cities because of its diverse work-base. The Green Investment Bank can provide real traction to that drive for growth and economic prosperity: through the jobs it can create, its contribution to local supply chains and integration with existing financial and environmental networks, and its impact on the city 'psyche'. The bank would bring social aspiration, cultural pride and enhanced credibility to the city's growth ambitions and act as a catalyst to the local economy as well as the greening of the national economy. Although of a different scale, its catalytic effect would be akin to that of the relocation of the Inland Revenue to Nottingham in the 1980s or the Ministry of Defence to Bristol in 2007.

Importantly, the presence of the Green Investment Bank would underpin the groundbreaking innovations that Peterborough is leading locally, nationally and internationally in business sustainability and as the UK's Environment Capital.

All our city initiatives have mutual benefit at their core: whether it is business delivering environmental solutions that benefit world sustainability, or financial companies delivering services that benefit investors and local communities, such as the 'city mortgage' scheme.

We genuinely believe that this proposal is mutually beneficial both to the city of Peterborough and its LEP, and to the Green Investment Bank itself.



<sup>5</sup> Connexions, Peterborough

# testimonials



We established our branch in Peterborough as recently as 2010, and subsequently met all of our goals which we feel is a good reflection of the strong banking skill base locally.

**Handelsbanken**



We fully support Peterborough's bid for the Green Investment Bank. As a carbon neutral Bank, our growth in Peterborough has benefitted from the large number of businesses focused on the "green" sector. The very supportive network of banks and local professionals would undoubtedly maximise its resources in support of such an initiative.

 **Clydesdale Bank**



Diligenta is a subsidiary of Tata Consultancy Services and a leading player in the UK Life & Pensions business process outsourcing marketplace. With its headquarters based in the city our experience of Peterborough has been extremely positive. It has a great infrastructure that supports a vibrant economic and financial sector presence. We strongly recommend it as an excellent location for any business looking to invest.



Our core philosophy is based around sustainable innovation, and delivering tangible benefits through every project we undertake. Royal Haskoning is proud to be part of Peterborough's growing green industries and would unreservedly recommend the city to the Green Investment Bank.



Our Peterborough office alone has worked on projects with an annual gross value of £400 million. Exemplar projects have included the London 2012 Olympic Park, the Great Fen, Northala Fields (a landmark park from recycled materials), and the state-of-the-art Rookery resource recovery facility.

**LD&DESIGN**



Our Peterborough office, established 12 years ago, has built on unrivalled training regimes and consequent strong staff retention to deliver professional consultancy in both energy infrastructure and financial transaction advice.

**Davis Langdon**   
An AECOM Company



# testimonials



PREL has relied strongly on the local environmental, project and financial expertise and commercial networks in Peterborough. The Energy Park's Research and Development Centre will not only be a landmark exemplar building but will also support the continued growth of Peterborough's flourishing green sector.



Lark Energy focuses on financing and delivering renewable energy projects for the private and public sectors. It has delivered 12 MW of PV in the last year, including 2 of the UK's largest solar farms and many roof top schemes. It is currently developing vehicle recharging infrastructure to integrate in new housing and commercial developments.



As a consultation company for The Bank of England's Monetary Policy Committee, Midas is keen to continue to support the manufacturing and technological innovation that will underpin the growth of the green economy. Peterborough is an ideal city from which to operate – not only through its strategic location and infrastructure strengths, but also in its innovative attitude and expert network of professionals.



Formerly Peter Brotherhood, a global company in its own right, Dresser Rand has taken this local Peterborough firm to a new level in terms of its investment into technical environmental solutions. Its turbine production features in energy manufacture across the world and its skilled workforce in Peterborough provides a strong foundation for future growth.



With our partners Caterpillar, Perkins engines is currently engaged in cutting-edge research around reducing CO2 and other new technologies to support environmental sustainability. Peterborough's environment cluster provides us with an invaluable network for innovation and supply chain development which will be of unique benefit to the Green Investment Bank.

