



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.4

University of Peterborough - Finalisation and completion of legal documentation for the Peterborough HE Property Company (PropCo1)

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 25th January 2023

Lead Member: Councillor Anna Smith, Statutory Deputy Mayor

From: Rachael Holliday, SRO Higher Education

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

Delegate authority to the Director of Housing and Development, in consultation with the Monitoring Officer and the Deputy Finance Officer, to sign a Development Management Agreement between CPCA and PropCo1 (Peterborough HE Property Company Limited).

Voting arrangements: A simple majority of Members present and voting.

To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.

1. Purpose

- 1.1 The Combined Authority Board's approval is sought to delegate to the Director of Housing and Development (in consultation with the Monitoring Officer and Chief Finance Officer) to sign a Development Management Agreement (DMA) between CPCA and the Peterborough HE Property Company Limited (PropCo1). The DMA relates to programme, development management, finance and company secretarial services provided by the combined authority to PropCo1 since the incorporation of the Phase 3 Living Lab.

2. Background

- 2.1 Peterborough City Council (PCC) have secured £20m funding from the Levelling Up Fund for Phase 3 Living Lab, which will provide a second teaching building for the new ARU Peterborough campus. Almost £8m of investment has been secured from the other PropCo1 shareholder partners, the combined authority, and Anglia Ruskin University. Delivery will be enabled through the currently established jointly owned higher education property vehicle PropCo1.
- 2.2 At the Combined Authority Board meeting on 26th January 2022 consent, as shareholder, was given to these changes in the allotment of shares and the consequential changes to the original Shareholders Agreement between the parties to provide continuing shareholder protections to the combined authority. At this meeting, the Combined Authority Board gave delegated authority for amending the legal documents and subsequently the Shareholder Agreement (SHA) was agreed by the Chief Executive under ref ODN350-2022. However, the updates to the Development Management Agreement were excluded as the necessary work to identify the services and their value had not been calculated.
- 2.3 The services to be provided by the Combined Authority up to December 2025 are now calculated as £300,000.00. A copy of the DMA is included in Appendix 1. To complete the necessary governance requirements set out in the original approval and to formalise the DMA between the parties it is necessary to obtain Combined Authority Board approval for the DMA to be agreed and signed.

Significant Implications

3. Financial Implications

- 3.1 Staff costs associated with the services being provided by the Combined Authority have been charged and paid for by PropCo1 since its incorporation. Remaining costs up to December 2025 are budgeted for in the company's business plan.
- 3.2 Any further services relating to the further development of PropCo1 Business Plan will be subject to a further agreement.

4. Legal Implications

- 4.1 The DMA sits within PropCo1 Shareholder Agreement and Articles of Association, which are already agreed by the combined authority and company shareholders. The DMA has

been drafted by Pinsent Masons, reviewed by CPCA Legal Team and approved by PropCo1 Directors.

5. Public Health Implications

- 5.1 The University of Peterborough through local employment, training and education opportunities will encourage healthy lifestyles and behaviours in all actions and activities while respecting people's personal choices.

6. Environmental and Climate Change Implications

- 6.1 The University of Peterborough, through local employment, training and education opportunities will support local and environmentally sustainable choices regarding travel and transport. The design of the building will meet BREEAM Excellent standards. As the University Campus develops over time there are further strategies in place to work with the University Partners and the tenants of the Research & Development Centre, for the site and buildings to have net carbon zero impact by 2030.
- 5.2 The Centre will focus on Net Carbon Zero Manufacturing, with the aim of attracting further investment into the local area in this developing sector.

7. Other Significant Implications

- 7.1 There are no other significant implications.

8. Appendices

- 8.1 Appendix 1 – Development Management Agreement between CPCA and the Peterborough HE Property Company Limited (PropCo1).

9. Background Papers

- 9.1 [CA Board 26 January 2022 - Phase 3 Living Lab](#)
- 9.2 [Officer Decision Notice ODN350-2022 University Phase 3](#)