



Peel in the Northern Powerhouse

with Powerful Partnerships
working together to deliver
150 projects in the North

150



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Foreword

The North of England led the Industrial Revolution, by a combination of people, natural resources, ideas and place.

Having faced major challenges in the 20th century, the North is now repositioning itself – through regeneration, technology and science, connectivity and sustainable resources.

The Peel Group has, through powerful partnerships, played a part in this renaissance, by investing in transport infrastructure, media, energy and property.

The Northern Powerhouse is a recognition of the scale and potential of the Northern economy, and the objective to achieve significant growth to rebalance the UK economy.

As a strategic private sector investor that reinvests and recycles capital in the North, our prosperity and wellbeing is inherently linked to that of the North. We work with a wide range of partners, bringing ideas and solutions, land and water resources, expertise and capital. We take a long term perspective and have a strong track record of facilitating and delivering investment, driven by our motto of 'determination, perseverance and patience'.

We are greatly excited by the potential of the Northern Powerhouse and devolution to our public sector partners in the North. It is vital that strong leadership and clear, ambitious plans are put in place to secure direct investment in the Northern Powerhouse by both the private sector and by Government.

This booklet sets out our thoughts on the potential contribution our investments can make to the Northern Powerhouse, working to a shared agenda with partners in the public, private and voluntary sectors. We can be a tower of strength in the Northern Powerhouse.

I hope that you will find our strategy of interest. Please get in touch if you want to discuss how we can help you achieve your objectives for the Northern Powerhouse.

John Whittaker, Chairman, The Peel Group

October 2015



Peel Tower, Holcombe Hill –
looking towards Scout Moor Wind Farm.

Introduction

Peel is a significant indigenous investor, predominantly in the North of England, in transport and logistics, retail and leisure, land and property, energy and media.

We are passionate about the growth, regeneration and prosperity of the North.



“Reinvesting profits back into our communities to create economic activity, employment and a better standard of life for everyone in the North. That’s what Peel is all about”.

*John Whittaker,
Chairman*

Our interests include listed and private enterprises that invest directly in sustainable development, creating jobs and prosperity, new homes, modern infrastructure and places to enjoy.

We work with partners in the private, public and third sectors to drive economic growth across the North of England. We are excited by Government’s commitment to build a Northern Powerhouse.

We believe it is important to plan for growth at the local, city region, and pan-regional scales. In 2008 we launched Ocean Gateway to bring together our assets across the Liverpool City Region, Cheshire, Warrington and Greater Manchester and redefine the economic role the combined area would have for the UK. In 2013, a review of the first five years of Ocean Gateway recorded a direct investment of £2bn, annual Gross Value Added (GVA) of £466m and over 10,000 net additional jobs.

Since 2010, we and a range of other partners have supported Atlantic Gateway - a broader economic growth programme across this area. By combining our key assets with those of the major partners working to support the Local Enterprise Partnerships (LEPs), an even more ambitious programme of economic growth has developed.

Over the past 25 years, Peel Group companies have invested over £5 billion in the growth and regeneration of the North. We are proud to have played a part and are keen to do more. Our project pipeline in the North can achieve many times what we have already delivered over the next 25 years.

Government’s priorities for the Northern Powerhouse include stimulating economic growth, raising productivity, and improving connectivity. Alongside others in the private sector, we support these objectives and are keen to explore how our aspirations and key projects can align across the North of England to help deliver a Northern Powerhouse.

This booklet sets out our initial thoughts on our potential contribution to the Northern Powerhouse. It aims to extend our positive conversations and powerful partnerships through new and existing relationships.

Joint objectives

At the core of the Northern Powerhouse is a commitment to stimulate economic growth.

We believe that the Northern Powerhouse has the potential to:

- Improve connectivity, locally, nationally and internationally
- Create more private sector jobs
- Rebalance the economy and close the 'North-South divide'
- Improve skills, education and training
- Retain talented workers in the North, and attract new talent
- Deliver more and better housing
- Be economically self-sufficient and reduce state dependency
- Drive urban regeneration
- Create great places to live and work
- Champion environmental quality

In short, to improve the prosperity, wellbeing and quality of life of residents and communities. This will be achieved not by restraining growth in London and the South East but by stimulating it in the North. This can only happen through direct investment, and will be aided by devolution of power and policies.

Through the Northern Powerhouse and the devolution of powers and funding, the momentum is building for investment and growth in the North. This momentum must be harnessed by Government and business, to deliver shared objectives.

Northern cities have the appetite, resources and ability to grow. Peel participated in the RSA's City Growth Commission and supports the key findings that the UK needs larger, better connected northern cities to provide a resilient platform for economic growth across the whole of the UK.

Improving connectivity

The Northern Powerhouse aims to improve connectivity and reduce journey times between the cities in the North. To create an economic area within which talent can move freely and quickly; like-minded businesses can cluster and innovate together; and routes to market are fast and effective.

Peel believes that connectivity is key to economic competitiveness. Through our ports and airports we have invested significantly in international gateways and national connectivity. There is more to do to optimise these assets and improve their surface access connections.

Better connectivity will enhance the competitiveness of the North for investment in logistics and supply chains which require modern, efficient infrastructure and premises. The use of northern ports for containerised goods can reduce transport costs and stimulate significant growth in the North, whilst reducing the environmental impacts of freight transport and easing congestion on roads.

Productivity and prosperity

The growth ambitions of the Northern Powerhouse are predicated on boosting productivity and prosperity, on private sector job creation and reducing state dependency.

Over 10,000 new additional jobs have so far been supported by Peel's Ocean Gateway initiative in the last five years, in productive sectors such as technology and construction.

Peel's overall investments in the North over the last 25 years have created around 70,000 new jobs across a wide range of skills, levels and sectors. Our future plans have the potential to deliver much more.

Alongside this we invest in the education, skills and training people need to access the job market. Peel supports apprenticeships and local construction labour programmes and has partnered with a number of universities and colleges including the recently opened University Technical College @ MediaCityUK, the University of Salford and Wirral Met College.

Providing new homes

Delivering the right amount and types of housing in the places where people want to live is central to achieving economic growth.

Government has invested significantly in housing through programmes such as Help to Buy, Get Britain Building and its Starter Homes initiative. As the market recovers it is essential that planning and housing policies allow the market to respond. We are keen to use our land and resources to achieve this.

Our proposals include a wide range of attractive new communities for everyone, from city waterfronts to garden villages, that can make a major contribution to the attractiveness of the North as a place to live and invest. They will help to tackle the housing crisis by delivering the homes that the North desperately needs.

Enhancing quality of life

The Northern Powerhouse will improve living standards across the North. Growing the economy and connecting people with the jobs created will make a real difference. It will improve the prosperity of communities. It will facilitate investment in the social, community and green infrastructure that they rely on. It can start to alter perceptions and make strides towards narrowing the gap between the North and South of England that has been evident for decades.

Peel takes a holistic view of development and regeneration. We have pioneered urban regeneration and investment in socially and economically deprived communities.

We are committed to investing in lasting improvements in the fortunes of the North and its people.





What we bring

Peel is unique and 'of the North'.

We are a private investment group, with strong roots in the North of England. We are passionately committed to northern regeneration and growth.

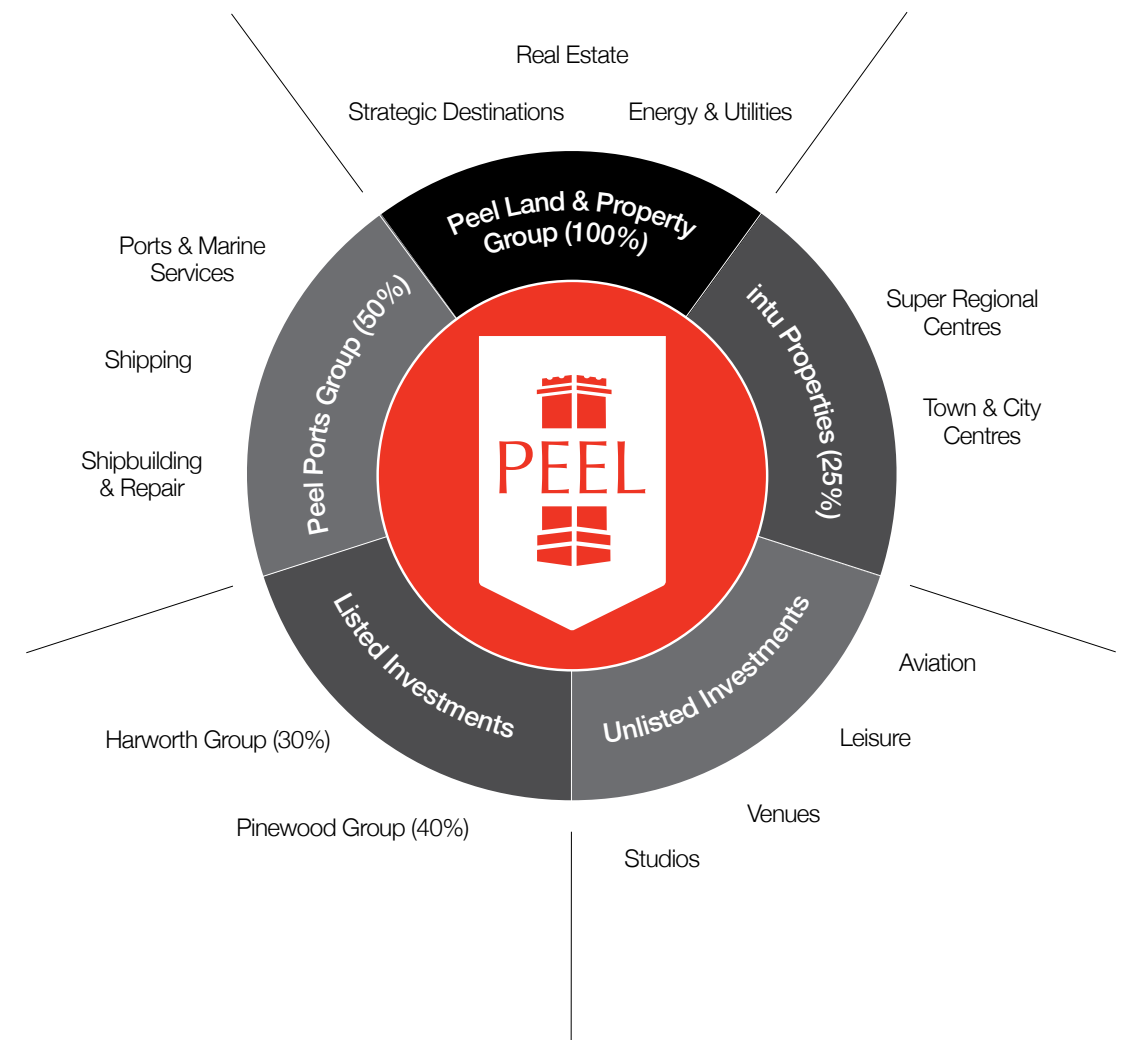
Our vision is to create sustainable environments where people and businesses can flourish. We take a long term view and reinvest our profits into our businesses, local communities and the environment.

Our diverse investments include wholly-owned companies, joint ventures and shareholdings, across a wide range of sectors in and around the economic hubs of the North.

Our approach is to deliver in partnership, through strong relationships with the private, public and voluntary sectors. Our investments act as catalysts, facilitate investment and growth by others, and attract wider private sector finance.

Through our vision, diverse investments and partnership approach – combined with our expertise and track record in unlocking potential – we believe we bring a unique perspective to the Northern Powerhouse.

Peel Group Investment Portfolio - October 2015



Our past demonstrates a proven track record of pioneering delivery in the North.

Our present is as a committed investor and trusted partner in the North.

Our future is as a long term champion of the Northern Powerhouse.










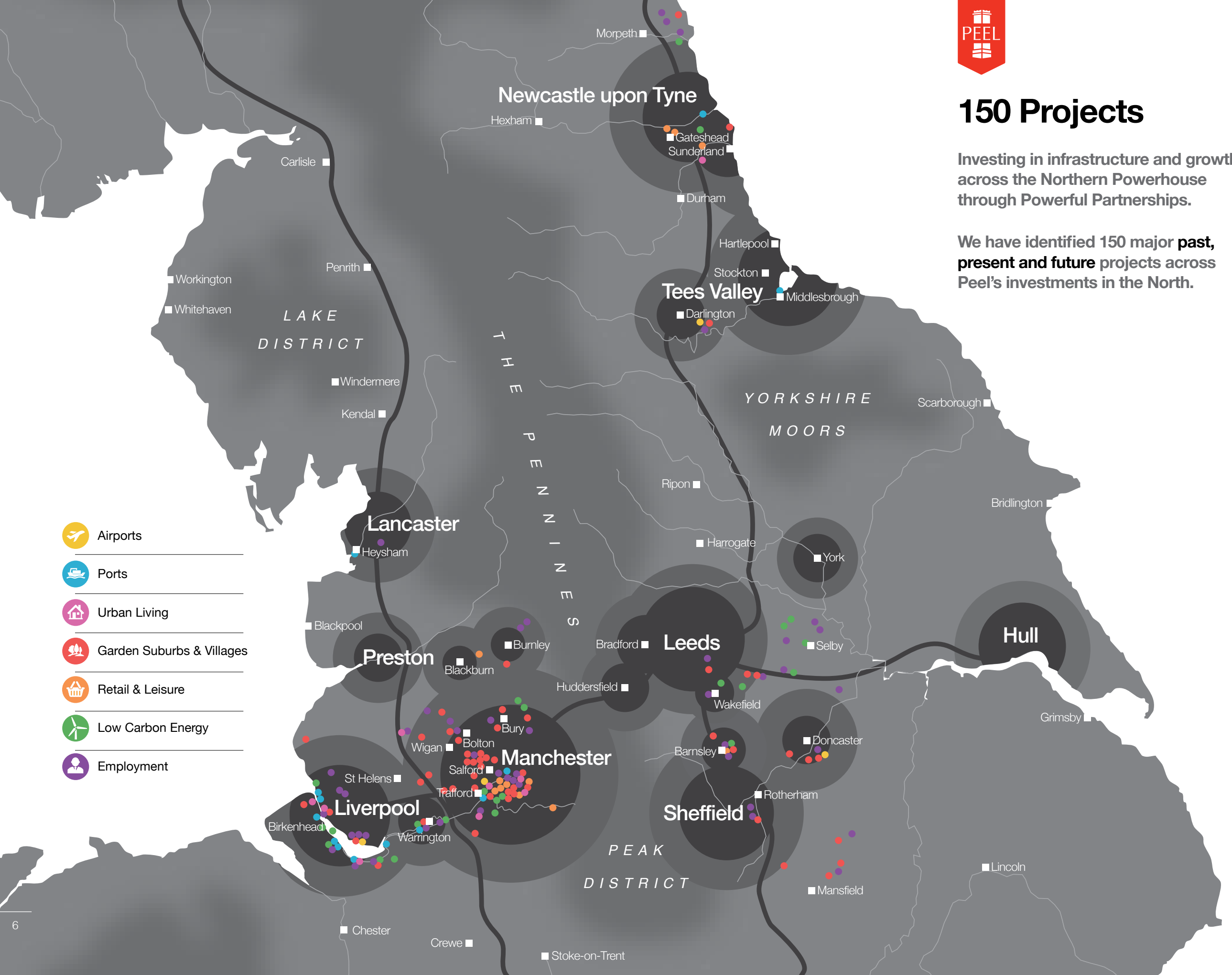


150 Projects

Investing in infrastructure and growth across the Northern Powerhouse through Powerful Partnerships.

We have identified 150 major **past, present and future** projects across Peel's investments in the North.

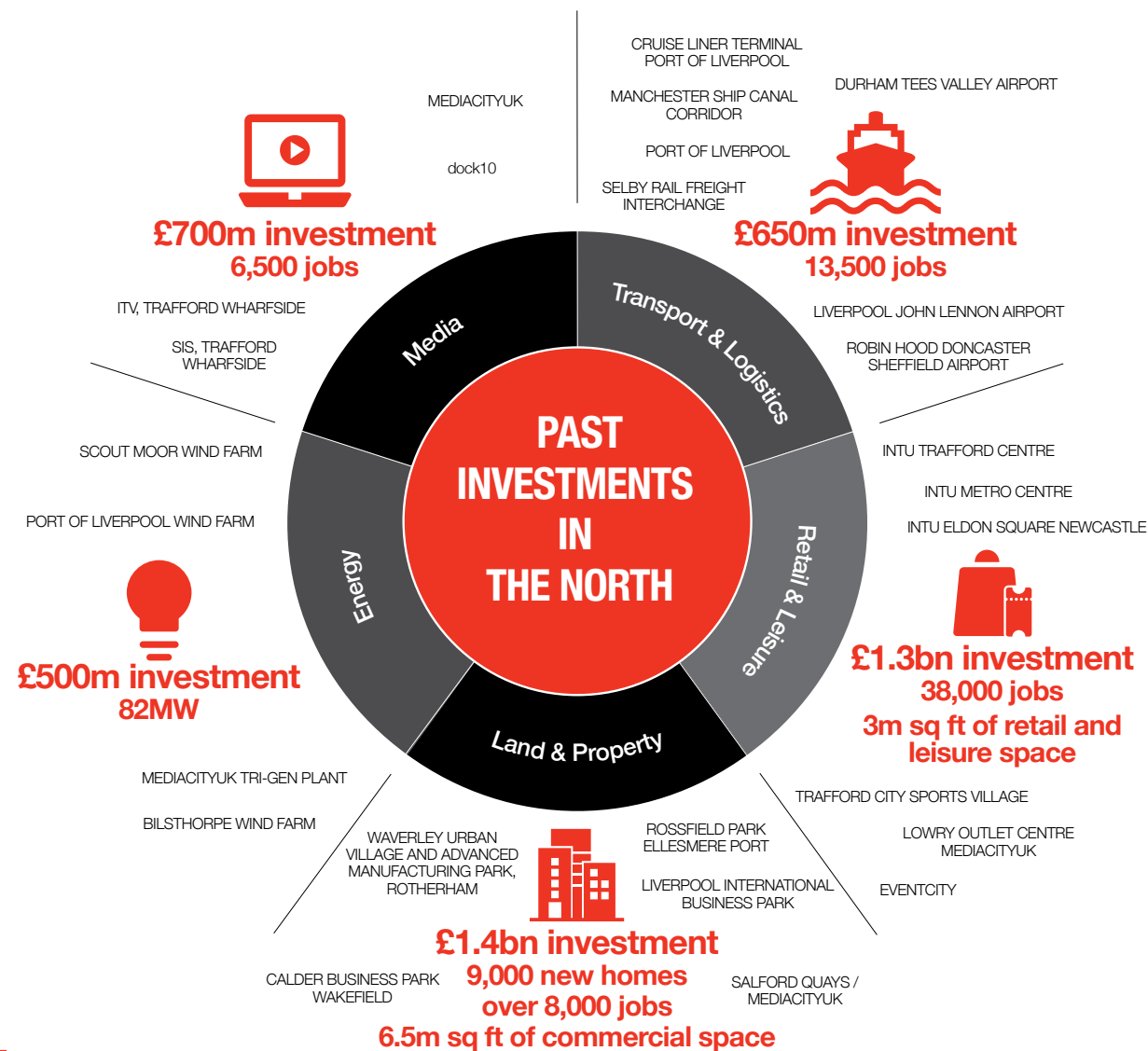
-  Airports
-  Ports
-  Urban Living
-  Garden Suburbs & Villages
-  Retail & Leisure
-  Low Carbon Energy
-  Employment



Our past

A proven track record in pioneering delivery.

Working with our partners we have played a pioneering role in numerous long term projects which have helped transform many parts of the North, through investment in regeneration, innovation, international connectivity and sustainability. These projects have already delivered a cumulative gross value added to the North of £27 billion and supported 70,000 jobs through a total investment of over £5 billion.



dock10 studios at MediaCityUK

Economic Hubs

Salford Quays and Castlefield

Use of assets to attract investment, businesses and communities to declining historic waterways and transform the prospects of these inner city areas.

MediaCityUK

Creating a new home for the BBC in the North as a catalyst to deliver a digital and media cluster of global importance. It has already attracted over 200 businesses including the BBC, ITV, Salford University, and a range of production and media companies.

intu Trafford Centre

Creation of a regional retail and leisure attraction that welcomes over 30 million visitors every year and is the most popular visitor destination in the North.

Liverpool International Business Park

Creation of a major investment destination for south Liverpool, bringing jobs and investment to communities enduring high levels of unemployment and deprivation.

Waverley Advanced Manufacturing Park and Sheffield Business Park

Working with our partners including Harworth Estates, to deliver investment in science, research and manufacturing alongside a new community.



International Connections

Liverpool John Lennon Airport

Major investment in international connectivity for the region which has acted as a catalyst for regeneration of the Speke/Garston area.

Port of Liverpool

Growth and modernisation of the Port, including merging the Port with the Manchester Ship Canal to create an integrated port corridor from Liverpool to Manchester, providing a cost and carbon efficient route to market for the North of England.

Robin Hood Airport Doncaster Sheffield and Durham Tees Valley Airport

Delivery of regional airports for South Yorkshire and the Tees Valley, serving local businesses and communities, bringing new jobs and investment and with further scope for growth.



Scout Moor Wind Farm

Sustainable Resources

Low Carbon Energy projects including England's largest on-shore wind farm at **Scout Moor**.

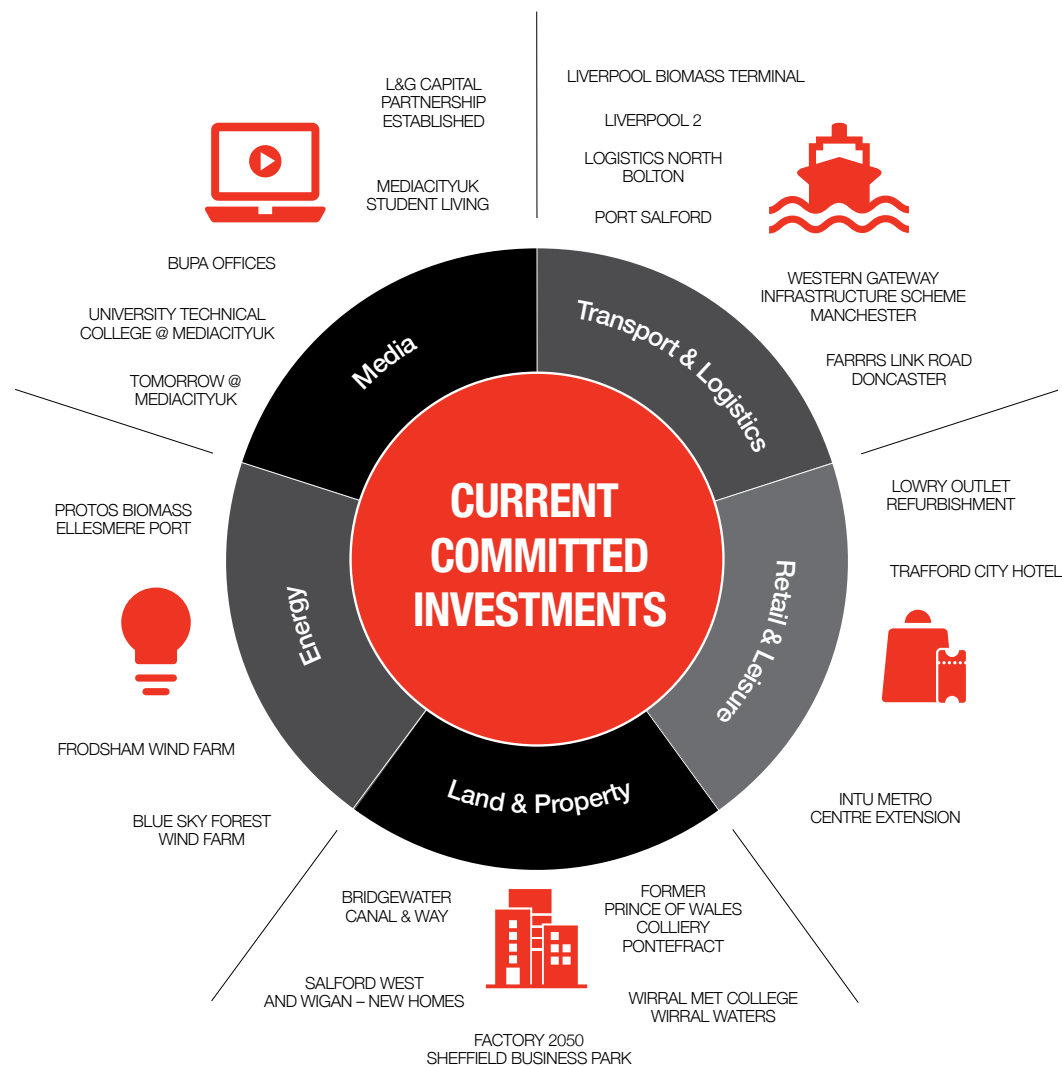
Green infrastructure projects including **Speke Garston Coastal Reserve**.

Bridgewater Canal and Way - Investment in an historic asset and recreation attraction.

Our present

A committed investor and trusted partner.

We continue to invest in the economy, infrastructure and future of the North. Over £1 billion is committed to investment by Peel and our investment partners in projects that are nearing completion, on-site now or about to commence development across the Northern Powerhouse.



Liverpool 2

Liverpool 2 is the new in-river container terminal at the Port of Liverpool. It will allow 95% of global container vessels to call at Liverpool, opening up new opportunities for direct shipping to/from Asia and the Americas. It will enhance the ability of the North to compete in global markets, with wider sustainability benefits in terms of business competitiveness, job creation, low carbon transport and easing pressure on major road and rail arteries. The £300 million investment is due to open at the end of 2015.



Liverpool 2



Bridgewater Canal

Salford West and City Gateway

Investment by Peel and a number of partners will deliver new homes, jobs and greenspace across the Salford West communities of Eccles, Barton, Irlam, Worsley and Walkden. Working with house-building partners Countryside and Redrow, new housing developments are under construction to help meet the shortage of family and affordable homes. Along the Bridgewater Canal and Way, we are working with partners to deliver major tourist and recreation facilities. At City Gateway, a 280,000 sq.ft. facility for logistics company Culina and a new crossing over the Manchester Ship Canal are under construction as the first phase of Port Salford, with further infrastructure, logistics, retail and leisure proposals to follow.



Frodsham Wind Farm, Cheshire

Construction of a 19 turbine 50MW wind farm adjacent to the Manchester Ship Canal and Mersey Estuary in Cheshire started in April 2015. Peel secured equity investment and bank funding for this £66m project which includes a new radar to safeguard the operations at Airbus

in North Wales and at Liverpool John Lennon Airport. The wind farm has already created an additional 40 hectares of important wetland habitat and will provide a Community Benefit Fund of £3 million over its 25 year lifespan.

Our future

A long term champion for the Northern Powerhouse.

We are ambitious and plan to achieve more. To invest in jobs and growth. To improve vital infrastructure. To boost the supply of new homes. Working with our partners to play our part in revitalising the North and championing the Northern Powerhouse in the UK and internationally.

Our future investment portfolio and partnerships have the potential to contribute many times more what has already been achieved, through a unique contribution to the Northern Powerhouse.



Wirral Waters

Peel Strategic Waters

Liverpool, Wirral, Trafford, Salford and Manchester

The Peel Strategic Waters sites create new destinations for people to live, work, socialise and relax, with supporting commercial, retail and leisure development. Peel helped pioneer urban waterfront living in the North in the 1980s in Castlefield, Manchester. Using vacant and under-used docklands in the urban cores of Liverpool, Wirral, Trafford, Salford and Manchester, the Peel Strategic Waters concept will help tackle the housing crisis by delivering thousands of new homes on brownfield regeneration sites. These high density schemes are focused around key economic centres and commuter hubs, and include a range of dwellings for private ownership and rental. Peel will act as both landowner/facilitator and as developer, working with a range of public and private partners.



New homes and greenspace

Garden Suburbs and Villages

Peel Land and Property and Harworth Estates

The combined portfolios of Harworth Estates and Peel Land and Property include around 40 new Garden Suburbs and Villages. These developments are planned as sustainable urban extensions to help tackle the housing crisis in the North's major towns and cities, with new homes located close to transport links and employment centres and set in attractive greenspace. Larger developments include the provision of local community facilities. A wide range of housing types and tenures can be delivered, working with national and SME house-builders and housing associations, including private ownership of family and starter homes and affordable housing for rent or shared equity. Peel is also keen to include an element of custom and self-build homes in its proposals.

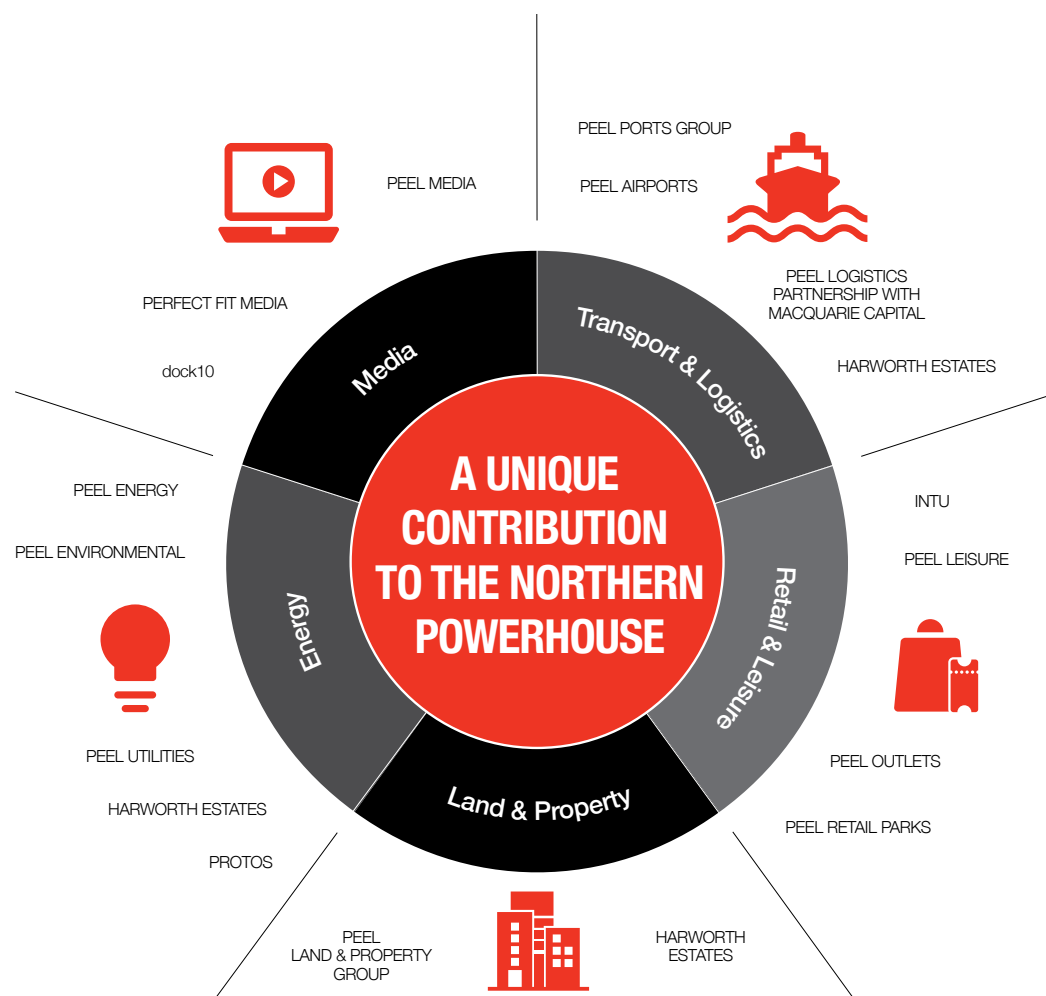
Logistics and Supply Chains

Peel Logistics, Peel Ports and Harworth Estates

Peel Logistics, a joint venture between Peel Land and Property Group and Macquarie Capital, alongside Peel Ports and Harworth Estates, are leading investment in the UK logistics sector. The companies are linked by Peel's shareholdings, covering multi-modal logistics development and management across the North and beyond. Growth in logistics and supply chains across the Northern Powerhouse is being fuelled by global market dynamics and the requirements of UK businesses for modern, efficient operations, located close to point of entry/exit and with access to skilled labour. The North has huge opportunity for logistics growth and through its investments Peel Group is set to make a key contribution.



Culina at Port Salford



Shared agency

Peel is driven to deliver on the opportunities that the Northern Powerhouse presents.

We welcome the Government's commitment to the vision for northern cities as a well-connected whole. A powerful economic engine for the UK, to complement London and the South East, that competes on a world stage.

A powerful partnership engaging with communities, business and Government requires a clear long term strategy. A framework for Mayors, Combined Authorities, LEPs and local authorities to prepare and deliver their plans. For private investors, and infrastructure and utilities providers, to make long term investment decisions.

A strategy and investment plan would confirm the Government's growth ambitions for the Powerhouse and ensure investments in high speed rail and transport network improvements are timely and co-ordinated across the regions.

Clear and ambitious growth targets

Government should require clear and ambitious growth targets to be established for the Northern Powerhouse. These would establish a framework within which Combined Authorities, LEPs, local authorities, public sector providers and the business community would prepare their strategies and make investment decisions. High level growth targets would guide all plans and strategies prepared by public sector partners.

Where statutory plans are prepared there should be a presumption that growth targets will be delivered, including through Local Development Plans. Difficult decisions to unlock or enable growth must be made and cannot be delayed or downplayed.



Manchester Ship Canal Cruise

A powerful partnership engaging with communities, business and Government requires a clear, long term strategy and investment plan.

A greater commitment to invest

Growth and rebalancing can be achieved by a greater commitment to direct investment in the North. Indigenous business and inward investors must be encouraged, incentivised and given the confidence and ability to deliver.

Government is putting in place devolved mechanisms to help drive the Northern Powerhouse. To achieve growth and regeneration objectives these should include powers over local taxation – the “levers of growth”. The ability to set for example business rates at a local level that are consistent with growth and regeneration objectives would give the North a competitive advantage to help rebalance the UK economy.

Grant funding for land remediation and local infrastructure should be introduced on a significant scale, to help unlock delivery in areas of market failure and historic under investment. Loans are helpful in some instances but do not suffice in many areas. Government investment in major catalysts in the North is required, in particular public sector activities which can support regeneration and help trigger growth in key sectors. MediaCityUK shows what can be achieved through a joint approach.

Investment in transport and other infrastructure across the North has the potential to drive economic growth. It is vital that investment is co-ordinated to support and stimulate that growth. Investments such as HS2, HS3 and other high speed trans-Pennine connections and ports and airports across the North must be promoted within the context of a national strategy for transport and growth.

Greater direct investment in northern infrastructure, by both the private sector and Government, is needed to make up for historic under investment if the Northern Powerhouse is to realise its potential.

Supported by policies for growth

In addition to a clear strategy and investment plan, backed by a greater commitment to invest in the North, the wider policies of Government – and specifically how they are used in the North – will be vital to achieving the aims of the Northern Powerhouse.

The statutory planning system has a key role to play in enabling the Northern Powerhouse, specifically by ensuring the necessary land supply for the jobs and homes needed for growth. NPPF provides the foundation but is largely unimplemented in the North. Across most towns and cities of the North, land supply is highly constrained and few Local Plans are in place, presenting a major barrier to industry's ability to deliver growth. A new, positive approach and commitment to strategic planning is required.

Greater policy support is required for regional airports, on key topics including Air Passenger Duty, access to international hubs, and planning policy, in recognition of their importance to their local economies, businesses and communities.

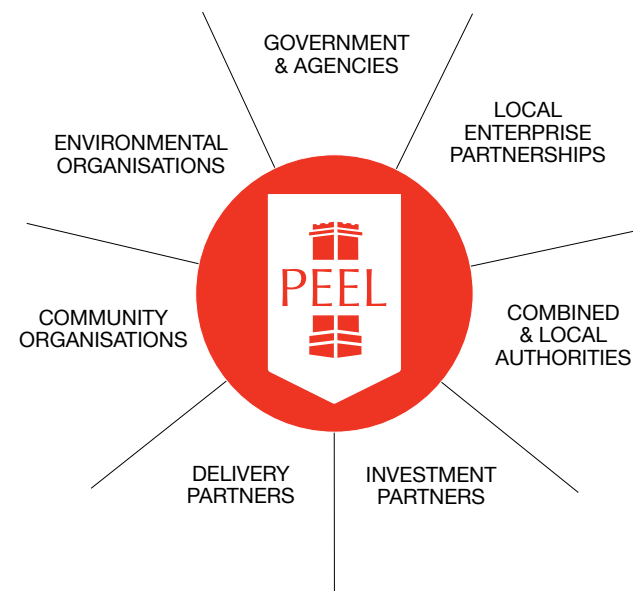
The North has great potential to help secure affordable energy supply and support a generation of growth. The removal of support for on-shore renewable energy schemes, both large and small, has undermined investor confidence and reduced opportunities for business and communities to progress low carbon objectives.

Exploration for shale gas is at an early stage and investors need certainty that policy support will remain. The Government should commit to a policy of delivering safe shale gas and invest in the creation of a centre of excellence in the North West, to take advantage of the proximity of known shale gas reserves, a concentration of high energy users and the availability of the skills and knowledge to drive the industry to maturity. The energy from waste sector also requires a stable regulatory environment and stability in market support.

Joint benefits

In the context of a clear strategic plan, a greater commitment to invest and supported by policies for growth, Peel and its partners can make a major and diverse contribution to the Northern Powerhouse.

Proposals for investment, job creation, economic growth and improvements to quality of life and the environment would be unlocked and delivered. We recognise that we cannot do it alone and therefore strive to strengthen our long term relationships and partnerships across all sectors.



We intend to publish in early 2016 our investment prospectus, setting out in more detail the contribution that Peel and its partners can make to the North.

Please let us know your aspirations for the Northern Powerhouse and we would be pleased to explore how we might jointly invest in the North – through a Determined Powerful Partnership.

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