



Oversight and Governance

Chief Executive's Department
Plymouth City Council
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CABINET – SUPPLEMENT PACK

Tuesday 22 March 2022
4.00 pm
Council House, Plymouth

Members:

Councillor Kelly, Chair

Councillor Nicholson, Vice Chair

Councillors Mrs Bridgeman, Deacon, Downie, Drear, Mrs Pengelly and Riley.

Members are invited to attend the above meeting to consider the items of business overleaf.

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Tracey Lee

Chief Executive

Cabinet

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| 6. | Covid Briefing: Living with Covid | (Pages 1 - 12) |
| 12. | Plymouth and South Devon Freeport | (Pages 13 - 62) |
| 13. | Skills 4 Plymouth Strategic Plan | (Pages 63 - 90) |
| 14. | DWP Strategic Partnership | (Pages 91 - 110) |
| 15. | Plymouth Green Finance Opportunity | (Pages 111 - 120) |

Cabinet



Date of meeting: 22 March 2022
Title of Report: **Covid Briefing: Living with Covid**
Lead Member: Councillor Nick Kelly (Leader)
Lead Strategic Director: Tracey Lee (Chief Executive)
Author: Caroline Marr
Contact Email: Caroline.marr@plymouth.gov.uk
Your Reference: DB/20220322
Key Decision: No
Confidentiality: Part I - Official

Purpose of Report

To appraise Cabinet of the Council's plans to move from responding to the pandemic to dealing with any ongoing or emerging issues within business as usual. The report sets out the current status and proposes, given the guidance set out within the Government's 'Living with Covid' plan, that the Council can stand down its emergency response and look at the next steps, the report also highlights the Council's wish to thank all those who have played a part in the response to Covid in the city.

Recommendations and Reasons

Cabinet agrees to:

1. Note the planned arrangements for Living with Covid and recognises there may be a need to stand up arrangements in the future.
2. Thank all City Council employees for the role they have played to keep services running and support residents, businesses and communities.
3. Thank all partners and key workers for the work they have done and notes the work to have a collective city wide recognition of this.
4. Undertake a review of the priorities for the Council in the light of the post covid norm.

The Council needs to respond to current government guidance and views this as an opportunity to thank people for their contributions and hard work during the pandemic and to incorporate the current Covid response measures into business as usual.

Alternative options considered and rejected

1. To continue with current response measures – rejected. This would not be responding appropriately to current government guidance and resources.
2. To stop all current response measures without consideration to the ongoing situation – rejected. This would not be responding appropriately to current government guidance and the risk posed by Covid-19.

Relevance to the Corporate Plan and/or the Plymouth Plan

An appropriate response to Covid-19 supports the Plymouth Plan aim to be a Healthy City as well and the priorities set out in the Corporate Plan to Support the economy and care for people and communities.

Implications for the Medium Term Financial Plan and Resource Implications:

Not applicable to this report – all resource implications will be dealt with as business as usual.

Financial Risks

Not applicable to this report.

Carbon Footprint (Environmental) Implications:

Not applicable to this report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

This report summarises considerable work that has taken place to manage the risk of Covid-19 and ensure health and safety guidance is being met.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Covid Briefing: Living with Covid							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	ba.21. 22.30 2	Leg	LS/38 278/A C/15/ 3/22	Mon Off		HR	KABI 4032 022	Assets		Strat Proc	
Originating Senior Leadership Team member: Tracey Lee, Chief Executive											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 14/03/2022											
Cabinet Member approval: Approved by email by Councillor Nick Kelly, Leader Date approved: 17/03/2022											

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CABINET COVID BRIEFING

Living with Covid – 22 March 2022



CURRENT STATUS - CITY

Though we are still in a pandemic, and Covid-19 rates are still high, the situation has moved on considerably over the last two years. The Government's 'Living with Covid' plan sets out the way in which we have, and continue to shift from treating Covid-19 as a novel emergent and very serious infection, towards managing it as one of a range of infectious respiratory diseases that we routinely have to deal with. However, it is acknowledged that we are in an uncertain time. Though we are moving towards Covid-19 being 'endemic' (meaning stable and predictable), we must anticipate some uncertainty over the next few years.

The Government's objective in the next phase of the COVID-19 response is to;

- enable the country to manage COVID-19 like other respiratory illnesses, while minimising mortality and retaining the ability to respond if a new variant emerges with more dangerous properties than the Omicron variant, or during periods of waning immunity, that could again threaten to place the NHS under unsustainable pressure.

Plymouth's 'Living with Covid' approach covers four themes;

1. Prevention
2. Protection
3. Treatment
4. Emergency response

These themes link directly to the Government's 'Living with Covid' plan, and reflect the resources that will be available to the local authority, the city and the population. These are reducing, with no further funding expected for Covid outbreak management. Each of these themes is covered in more detail below.

1. Prevention

Vaccination is central to the response since it significantly reduces the chances of severe disease as well as reduces the risk of catching Covid. It is not yet fully clear what the pattern for vaccination will need to be; there may be new vaccines which are effective over a wider range of variants, or a need for top-up booster vaccinations.

In Plymouth, we are working with University Hospital Plymouth NHS Trust (UHPT) to continue our Outreach Vaccination Programme at least for the next three months, with an aim to reduce the number of people who are unvaccinated or have not had all of the doses that they are eligible for. Our uptake is higher than the England average currently.

Behaviours do make a difference - although the legal requirement to isolate has stopped, it is still very important that we do our best to keep others safe and that means staying at home if you have Covid symptoms. It is also possible to pass the infection on before you have symptoms, or when symptoms are mild, and so the Government guidance still reinforces the need for good ventilation, meeting outdoors if possible, wearing face coverings in crowded enclosed areas; the need for this may vary based on the level of cases.

In Plymouth we will continue to advise the population when rates are high and promote measures to reduce exposure. We are also mindful that some people are at higher risk than others and may choose to continue with these behaviours; we would encourage the people of Plymouth to respect other

people's right to protect themselves, and to help them with that; wearing a mask yourself, giving them space.

Reducing inequalities in health and in the wider determinants of health - it has been clear throughout the pandemic that some groups are more likely to be exposed and to become seriously ill. We must be mindful that changes to legal restrictions, and the isolation payments that went alongside that, as well as charging for tests may add to the inequity.

In Plymouth we will continue as much as possible to make vaccination accessible to people who might have barriers to accessing it. We are exploring the options around lateral flow testing especially for those who might be at higher risk. Our coordinated programmes across the city to support people who may be in financial hardship have continued throughout the pandemic.

2. Protection

High consequence settings are where there might be a risk of spread to vulnerable people; such as care home settings. Plymouth City Council has worked extensively with care homes throughout the pandemic and we have seen them put in place many measures to protect their residents. We will continue to work with settings such as care homes to provide support with infection prevention and control where required, working with colleagues in the UK Health Security Agency.

High risk individuals - at the start of the pandemic, the clinically extremely vulnerable groups were advised to follow shielding advice, and the clinically vulnerable to take great care. Now, thanks to vaccination, many of these groups are well protected, reducing their risk. Therefore the government advice is for those people to feel more 'free to live life', but the safer behaviours recommended for everyone might be more important for anyone with concerns about their risk.

There is a small group of people who are still considered at higher risk due to a weakened immune system; these people will have been contacted by the NHS and either offered a '3rd Primary' dose of vaccine (i.e. they will have had 4 doses) or sent information on how to access treatments if they should develop Covid. They are also advised to reduce their exposure.

3. Treatment

There has been considerable research carried out during the pandemic resulting in more effective treatments for people with severe illness. Research is ongoing around antiviral treatments for people at higher risk but with mild disease – to prevent it from becoming more serious.

4. Emergency response

It is noted in the 'Living with Covid' plan that there will be a period of uncertainty and so we have to be prepared for new variants, some of which might have unfavourable characteristics. If so, then there would be a need to respond. The response would be led by the UK HSA, and might involve;

- The rapid deployment of mobile testing units to carry out PCR testing to identify cases and provide information about the virus variant
- Contact tracing of positive cases with the possibility of additional testing for contacts
- Increased vaccination, which would be led by the NHS
- The ability to respond to increased illness through the NHS

In extreme circumstances, there might be further local or national measures required. Plymouth City Council has plans in place to respond should this be required.

SURVEILLANCE

With the reductions in PCR and LFT testing that we are already seeing, we cannot rely on the previous reporting mechanisms to provide information about the rates of the disease in the city. Surveillance will become more similar to that of influenza. Levels of infection will be estimated through a few different sources such as the ONS population level survey, testing of people with respiratory disease symptoms through a sample of GP practices, and of people admitted to hospital.

There will continue to be routine testing of health and social care staff, and this also will give an estimate of infection levels. The number of people hospitalised with Covid (and especially those requiring intensive care due to Covid) will be monitored, as will the number of people where Covid is named as a cause on their death certificate.

LOCAL OUTBREAK MANAGEMENT

'Living with Covid' signals the point at which the Council's response steps down from an emergency response to business as usual. From the Local Outbreak Management Plan, we will be stepping back from contact tracing, community testing, and the majority of our health protection support and advice. We will be retaining a small resource to support higher consequence settings (including infection prevention and control), and also support for the vaccination outreach clinics.

The Director of Public Health will continue to work with a group of key local partners to review Covid-19 surveillance and impact across the city (Plymouth Covid-19 Health Protection Board). The frequency of meetings will vary based on the situation but are currently fortnightly.

The Leader of the Council convened a Covid-19 Local Outbreak Engagement Board which has met regularly. The group will now be stepped down, but will be kept up to date with any key information that emerges and the Leader alerted to any issues that may require this Board to be re-convened.

The Council's Emergency Operations Centre (EOC) and subsequent Covid-19 Coordination Hub (CCH) has been stood up for more than 24 months with the associated internal Tactical (TERG) and Strategic command structure. In line with the Government's 'Living with Covid' plan, it is now appropriate to end this response structure and return to business as usual arrangements. Weekly meetings will be terminated from week commencing 28 March and any outstanding Covid-19 related actions or work will be absorbed into BAU operations from these dates.

Future response request

The Covid-19 pandemic has been volatile, uncertain and complex and we know there is a distinct possibility that the virus may mutate in the future. Potential mutation(s) could pose further public health risks where a local response will be required to protect our residents.

The Council's Corporate Management Team has agreed to:

- commit to release staff previously employed within the CCH, to support the activation of an EOC in the event of a new variant of concern or variant of interest being identified
- encourage senior managers currently sitting as TERG members to retain and enhance their knowledge of Covid related matters so that a response structure can be rapidly stood up
- pledge to release staff should the Council be required to activate surge testing plans

CURRENT STATUS - COUNCIL

The Council has responded to the various phases of the pandemic through a range of measures to keep the public and staff safe. Obviously during levels with high legal restrictions, some services were stopped or scaled back, but maintaining the range of services that the public need and expect has been a key factor in the Council's covid response.

Sickness rates throughout the pandemic have remained below the LGA average benchmark and PCC has successfully managed the potential risk of workplace transmission of COVID-19 over the last 24 months, through having clear corporate direction and local COVID risk assessments, safe systems of work and toolbox talks briefings to all employees. The consistent message has been to work from home where possible, which has at different points resulted in some 80 per cent of employees working from home, in addition to the rigorous safe systems of work for those who have needed to attend the workplace during times of high rates of Covid.

There will be a continued precautionary approach taken to protect staff and deliver services, in response to high numbers of COVID cases in the city, or other covid-related risks such as new variants of concern. This will mean that PCC control measures include:

- Ventilation maximised, with CO₂ monitors in place
- A limit on the level of occupancy for meeting rooms, offices and other spaces (based on ventilation and 1m spacing) and continuing to work from home based on business need
- Strong encouragement for the use of face coverings in communal spaces
- Social distancing 1 metre
- Collaborative working spaces available
- Pre-booking for desks, meeting rooms and any other collaborative spaces

There is also a comprehensive wellbeing offer that has been continually developed over the time period in response to the impact of COVID, different working arrangements and the impact on personal lives.

PERFORMANCE REPORTING

Throughout the pandemic the Performance and Risk Team has produce a weekly Covid-19 Performance Report setting out the current data and trends on a range of Covid-related metrics, including;

- Vaccination take up
- Patients in acute hospital who have tested positive for COVID-19
- Care setting COVID-19 outbreaks and Domiciliary Care contract handbacks
- Community Testing and Vaccine Outreach Programme
- Business Support Grants paid
- Homelessness and Rough Sleepers
- Test and Trace Support Scheme applications and payments

These metrics have been subject to frequent review and a number of initial metrics are no longer reported on, for example the availability of PPE.

As the organisation moves from covid response and recovery into business as usual, and as many schemes / programmes come to an end, these reports will no longer be required, however where data remains available it will continue to be tracked – this will include vaccination rates which is available via the coronavirus dashboard. This will allow the Performance and Risk Team to resume reporting should circumstances change and a formal reporting mechanism is once again required. This will also ensure that data can be used by services for operational purposes when needed.

DEVELOPING PRIORITIES POST COVID

In April 2020 Cabinet received a report setting out the Council's approach to recovery and renewal both during and after the pandemic.

This aimed to put in place a coordinated process for supporting affected communities in the revitalisation of physical infrastructure, economic resilience and restoration of emotional, social, economic and physical wellbeing. This meant that as well as being in response mode for the last 2 years the Council, working alongside partners, has also had a focus on the longer term support needed for recovery.

The objectives were:

- Priority must be given to residents most affected by the impacts of the pandemic
- Develop reset action plans based on impacts and risk assessments across all services and agree delivery through existing financial and business planning processes
- Service change, regeneration and economic development opportunities will be integral to the reset process
- Services and infrastructure are restored in such a way as to meet agreed future purposes as well as current needs and statutory responsibilities

- Reset action plans must be resilient to future peaks in the Covid 19 virus infection rate and to future pandemics
- Reset activity is fully aligned with and complementary to the climate emergency action plan and carbon reduction plan
- Full systems and processes of democratic accountability and decision making will be restored

The early reset priorities were;

- Restating the Council's vision and values
- Supporting the economy
- Minimising inequalities and supporting individuals and communities
- The way we work – delivery of Council services
- Responding to the climate emergency
- Managing the Council's finances.

These were built in to the last review of the Corporate Plan and associated delivery plans.

As the organisation moves to the post Covid norm, there is an opportunity for the Council to review progress and review plans and strategies to reflect this post pandemic 'new normal' e.g. increase in demand for services. It is proposed this is undertaken post-May elections to tie in with the review of the Corporate Plan.

LESSONS LEARNED

As with any major incident, it is important to undertake a review of what went well and what did not go quite so well in order to produce an action plan and for this to inform future planning. It is intended to run a debrief session in the spring following the gathering of evidence from across the organisation, ensuring this does not clash with the statutory requirement to deliver Exercise Short Sermon.

ACHIEVEMENTS

Good Neighbours Scheme

The Good Neighbour Scheme saw the Council join forces with community groups and charities across Plymouth to provide a central place for people to put their hat in the ring to help support vulnerable and diverse communities. The Plymouth Good Neighbours Scheme (PGNS) was set up to support the mobilisation of Plymouth's Voluntary, Community and Social Enterprise Sector, empowering residents, businesses and wider stakeholders to play a key role in safeguarding those most at risk.

Caring for Plymouth

Caring for Plymouth provided support to people shielding due to clinical vulnerabilities which put them at higher risk of harm due to COVID-19. Over three separate lockdowns, the partnership helped to provide a vital lifeline for this group of people, helping to ensure that they had food and medications as well as a range of other support for their health and wellbeing. In all, the team made and received around 18,400 calls.

Vaccination outreach

The vaccination programme has been a great success, with high rates of vaccination amongst the Plymouth population than the England average. In addition to the various vaccination sites provided by UHPT, Primary Care and Pharmacies, the Council worked with UHPT and Devon CCG to run a vaccination outreach programme, bringing opportunities to be vaccinated into the heart of communities where take up was lower.

The programme initially piloted the use of the Mobile Testing Units to also become mobile vaccination hubs, but this was rapidly 'scaled-up' in response to need and moved indoors as the autumn approached. Outreach vaccination centres included Plymouth Market; nine Council libraries; Honicknowle Youth Centre; and several church halls, successfully administering 18,000 doses of Covid-19 vaccines, reaching every corner of the city.

Support for Care Homes

Throughout the pandemic the Council managed 374 outbreaks (Care Homes: 242, Supported Living: 76, Domiciliary Care and Extra Care Schemes: 56). The organisation is continuing to work closely with all facilities to ensure business continuity and that impacts to the quality of care residents receive is minimised. Where staffing challenges are identified, commissioned agency services are deployed to provide resilience.

The Council also supported 1,122 provider multi-disciplinary teams - the successful collaboration between Commissioners, Local Public Health teams, Livewell SouthWest, University Hospital Plymouth and the UK Health Security agency has provided dedicated support to providers across the city on infection control and has, where appropriate, facilitated early admission agreements for Care Homes to safely allow admissions following outbreaks to support with hospital discharge flow.

The Council also issued approximately three million items of PPE to care providers and opened five Care Hotels in the last two years, currently there are 42 beds still open.

Business grants

Since the UK entered the first lockdown in March 2020 Plymouth City Council has worked hard to deliver much needed government support grants to businesses across the city;

- There have been 16 separate schemes
- 32 pieces of government guidance
- 18 sets of frequently asked questions

Working with all of the above, the council delivered £95,789,725 of grant funding through 19,533 payments to 6,030 businesses – this means that 93 per cent of the total spend was allocated through various government schemes by the Council during the pandemic.

Self-Employment Income Support Scheme: The Self-Employment Income Support Scheme (SEISS) was designated for those who are self-employed or a member of a partnership impacted by coronavirus (COVID-19).

- Overall, 34,800 claims were made in Plymouth.
- The average value of claims was £2,600
- Plymouth had the highest take-up rates* overall and on average across the region
- Overall, the top sectors with the most SEISS claims were construction, transportation and storage, administrative and support, and wholesale and retail.

(* Take-Up rate is the percentage of those who actually claimed SEISS vs the total of all eligible for claims).

Area	Number of individuals who claimed a grant (000s)	Total number of claims (000s)	Total value of claims (£m)	Average value of claims (£)	Average take-up rate for all grants
England	2,509,000	9,011,000	24,494,000,000	2,700	61%
South West	264,000	901,000	2,480,000,000	2,800	57%
HotSW	96,200	324,700	880,500,000	2,700	55%
Plymouth	9,600	34,800	89,400,000	2,600	63%

The Coronavirus Business Interruption Loan Scheme (CBILS) and Bounce Back Loan Scheme (BBLs):

- In Plymouth 357 CBILS loans at a value of £64,617,671 were offered. **CBILS** provided financial support to smaller businesses (SMEs) across the UK that were losing revenue, and seeing their cash flow disrupted, because of the COVID-19 outbreak
- In Plymouth 5575 BBLs loans at a value of £152,256,653 were offered. **BBLs** was designed to enable businesses to access finance more quickly during the coronavirus outbreak
- The figures in the below table are extracted from the final **CBILS** and **BBLs** report that was issued in August 2021

	Sum of CBILS Number of Loans Offered	Sum of CBILS Value of Loans Offered (£m)	Sum of BBLs Number of Loans Offered	Sum of BBLs Value of Loans Offered (£m)
Plymouth	357	£ 64,617,671	5575	£ 152,256,653
HotSW	2791	£ 642,968,138	42783	£ 1,188,406,581

Support for schools

Throughout the pandemic, the Council's Children's Services worked closely with Public Health, Department for Education, Health and Safety and other partners to provide schools and other education settings with timely advice and support.

The Council worked with schools to support vulnerable learners in the city, enabling pupils to access onsite learning during the national lockdown. The collaborative approach taken meant that the most vulnerable children and their families were receiving as much support as possible to keep them in an education setting. It also meant that the attendance in school of children with Special Education Needs and Disabilities and those known to Social Workers has been consistently better than the national average throughout the pandemic

Supporting childcare sufficiency throughout the pandemic was a priority for the Council, but unfortunately the city lost 28 providers during this time, with childminders being the highest number of providers being lost from the market. However, with the recent launch of a social media campaign, highlighting childminding as a career choice, it is hoped that the Council will attract more childminders back into the market.

There are some signs of recovery, with the Council's support, four new childminders have already been registered and two childcare providers have been helped to re-locate to ensure there is equitable access to early year's provision across the city.

The Council also used government funding to implement and deliver the Wellbeing for Education Return programme which equipped education settings to support children, young people and staff's wellbeing, resilience and recovery in the context of COVID-19.

Acceleration of the TWWW Programme:

The Way We Work programme saw successes in the following areas:

- **Accommodation** – PCC agreed to reduce the number of buildings that the Council owns and to reconfigure others.
- **Digital working** – all office based workers received laptops and the tools to mobilise homebased working at the outset of the pandemic, enabling a 'digital' first approach to working. Systems and processes were put in place immediately as the pandemic hit so business continuity, from an administration perspective, was virtually seamless.
- **Business Support** – PCC changed the delivery of business support services across the Council by bringing together colleagues who are currently embedded within teams into a central multi-skilled service hub.

SHOWING OUR THANKS – FROM PLYMOUTH CITY COUNCIL

It is important that as we start to transition to business as usual and after a very busy couple of years that we recognise the dedication and efforts of our staff, not only internally but across all public sector organisations and other key worker roles that supported the most vulnerable in our city.

In 2021 we recognised that owing to the demands on staff working in extraordinary circumstances and sometime beyond what would normally be expected, we allocated everyone one day's extra leave as a thank you, and also allowed staff to carry over up to 20 days leave – the arrangement on additional carry over has been extended to 31 March 2023.

We will look to develop a city-wide plan that will aim to bring together all strategic partners across Plymouth to say thank you to:

- The CCH
- Plymouth City Council Staff
- Key workers across the city

It is hoped to develop a 'Day of Thanks' that will include a programme of activity across the city, to include a series of events, celebrations and commemorations. In addition, the PCC Staff Awards programme will have a dedicated focus on those who supported Plymouth during the pandemic.

Some more specific planned Plymouth City Council activities include:

- The Chief Executive to thank the organisation through 'Tracey's Team Talk'
- Letter from the Leader and Chief Executive to all employees
- PCC Service Directors and Strategic Directors to say thank you and tailor their messages to the work their teams have done over the last few years

The past two years have been different as well as challenging for the workforce. There will be a continued focus on well-being through a programme of reflective talks that managers will lead with their teams and the promotion of the Council's well-being offering through team meetings and in collaboration with Wellbeing Champions.

Cabinet



Date of meeting:	22 March 2022
Title of Report:	Plymouth and South Devon Freeport
Lead Member:	Councillor Nick Kelly (The Leader of the Council)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Kevin Mckenzie (Policy Advisor)
Contact Email:	kevin.mckenzie@plymouth.gov.uk
Your Reference:	KM 14/03/2022
Key Decision:	Yes
Confidentiality:	Part I

Purpose of Report

Plymouth and South Devon Freeport is the result of a successful bid submitted by Plymouth City Council and endorsed by our Local Authority Partners in February 2020.

Our Freeport will unlock £311m in inward investment and create 3,584 jobs. We anticipate more than £100m investment and 1,000 jobs in the first 2 years. It will provide a new world class innovation space enabling us to build our global reputation for marine innovation. It will anchor some of our biggest employers, protecting existing jobs and ensuring they can expand their local operations. It will unlock 130 Hectares of development land including in Plymouth at South yard to provide space for high value advanced manufacturing and logistics companies.

This report provides members with an update on our progress and seeks the necessary approvals to submit our Full Business Case which we must submit on 22nd April 2022 ahead of a June tax site designation.

The decision was the subject of pre scrutiny on 23rd February 2022 and this report encompasses and responds to the recommendations made to cabinet by the Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee as set out below.

That the Committee endorse submission of the Full Business Case subject to the Cabinet report setting out: -

- The business case for Oceansgate, the capital requirement and how it will be met;
- Governance arrangements and the legal status of the Freeport Authority;
- The operating model and staff recruitment;
- The contractual commitments to landowners that will be set out in the site Specific Agreements;
- The revenue commitment required from Plymouth City Council, as a landowner;
- Legal obligations arising from the customs sites;

These points are picked up in the main body of the appended report.

2. Public consultation process and public feedback loops to be clarified and public consultation to be built into the delivery of the Freeport using means such as the planning process and bespoke engagement event(s) as appropriate;

- Two specific stakeholder events have already been delivered in July and December 2021, we plan to hold a further public consultation event later this year as we move into the operational phase of our Freeport delivery programme. Planning consents for the Freeport will be sought in the normal way and the public will be able to engage with these following normal routes.
- 3. The Equality Impact Assessment considers issues of diversity (e.g. employee access) and skills support in areas of deprivation together with noise and emissions/pollution between sites, as well as on site;
 - An Equality Impact Assessment which picks up on this point is appended.
- 4. The Carbon Net Zero Strategy for the Freeport considers carbon impact and seeks to minimise carbon outputs in areas such as people and goods moving between sites and also on site.
 - Our Full Business Case will set out our ambition to deliver a Freeport that contributes positively to the achievement of Carbon Net Zero.

Recommendations and Reasons

Cabinet is asked, subject to due diligence and the agreement of our Section 151 officer and Head of Legal Services, to: -

1. Note the progress of the Plymouth and South Devon Freeport and to delegate approval of the Full Business Case for submission in April to the Strategic Director for Place.
2. Agree the role of Plymouth City Council as the accountable body for the Plymouth and South Freeport with responsibility for administering the £25m government seed funding.
3. Delegate authority to the Strategic Director of Place to sign the Freeport Memorandum of Understanding and associated legal agreements with Government and partners, setting out government expectations, funding arrangements, outputs and partner obligations.
4. Approve the Oceansgate Phase 3 Outline Business Case and associated service borrowing (funded by retained business rates) subject to a detailed business case and successful Levelling Up Fund grant application.
5. Agree the Freeport operating model, staff structure and revenue budget including the Local Authority annual £50k contribution which will be funded from the Oceansgate revenue budget.
6. Agree to establish a company limited by guarantee to become the Freeport managing entity, with Plymouth City Council, Devon County Council and South Hams District Council as its founding members based on the terms set out in this report. Delegate to the Strategic Director of Place authority to sign any legal or other agreements that may be required, including the members agreement reserved matters, and a scheme of delegation as set out in paragraph 4.9.
7. To delegate to the Strategic Director of Place the authority to enter into Freeport landowner agreements, including those relating to Oceansgate and the South Yard Tax site, as may be required in pursuance of the Freeport Objectives set out in the report and to discharge our obligations as the accountable body.

Alternative options considered and rejected

- An alternative timeline was considered that would have pushed submission of our Full Business Case back until June, this was rejected as it would delay Freeport designation and shorten the window within which potential investors would be able to claim tax benefits.

- An option involving all three Local Authority acting as accountable bodies for activity on their own area was considered but viewed ultimately as unnecessarily complex and bureaucratic.
- The terms under which the Seed Capital grant are made are set by the Government so no alternative arrangement was considered.
- We considered financing the capital requirement in the Oceansgate Business Case wholly from retained business rates and concluded that increasing the proportion of grant income to be applied was a more robust approach.
- Various alternative company models were considered and advice taken both internally and through government appointed consultants. The Company Limited by Guarantee emerged as the most likely suitable model. This preference was then stress tested by Womble Bond Dickinson, their report concluding that this model is fit for purpose is appended.
- We considered a range of alternative uses of seed capital in the development of our Outline Business Case, the allocation we are presenting is the culmination of a considerable process of revision and re-evaluation which has resulted in the best fit to support the achievement of Freeport objectives.
- We considered alternative charging mechanisms that would have leveraged tax benefits such as a fee based on m² of employment floor space provided and the number of new employees benefitting from employers national insurance relief. Ultimately these models were overly complex and less certain than the flat fee arrangement we have settled on.

Relevance to the Corporate Plan and/or the Plymouth Plan

We have set out a number of strategic objectives in the Plymouth Plan that a free port could help us to achieve, the links to specific policies are explored in the appendix: -

- SO2 - Strengthening Plymouth's role in the region
- SO3 - Delivering the international city
- SO11 – Delivering high quality development
- SO12 – Delivering infrastructure and investment

The free port could also assist us to deliver priorities in our Corporate Plan: -

- Strongly supports the delivery of economic growth that benefits as many people as possible
- Strongly supports the delivery of quality jobs and valuable skills

Implications for the Medium Term Financial Plan and Resource Implications:

The MTFP contains some resources in the initial years of the scheme both for revenue and capital. In the medium term there are proposals to engage in wider corporate borrowing, these to be funded from retained NNDR which will be received by The Council as Section 31 grant. Clearly The Council and Partners will need to ensure that available resources are not over committed at that point in the overall scheme.

- The anticipated uplift in NNDR income from the areas designated as Freeport Tax and Customs sites in the Full Business Case will be retained and ring fenced for a period of 25 years,
- Retained NNDR and rental income and legacy from Oceansgate phase 1 and 2 will be directed in the first instance to service borrowing, and, only in the event of a surplus, for future investment in the Freeport as may be agreed by the Local Authority partners.
- The Medium Term Financial Plan already makes some provision for financial support.
- Revenue funding will be required to support the establishment of 4.5 new posts and other Freeport running costs.

- For the first five years this will be generated through fees and charges levied on landowners, supplemented with direct grant support from central government.
- A successful Levelling Up Fund to support the Freeport is anticipated

Financial Risks:

There are risks but we have carefully assessed them and we are confident that they can be managed. The rewards are proportionately large, a vibrant economy delivering quality jobs, and new skills provision to ensure that residents in our most left behind wards can benefit.

The governance arrangements that are envisaged and which will be further developed in the final business case are designed to deal effectively with these risks.

The principle financial risks are set out in a high level risk assessment in the body of the report. All project related risks, including financial risks, are reviewed regularly by the Freeport development team to ensure they are appropriately mitigated.

Carbon Footprint (Environmental) Implications:

Our Full Business Case will set out our ambitious plans to ensure that the Freeport contributes positively to our Climate Emergency Action Plan setting an overarching target that is consistent with our commitment to achieve a carbon net zero position by 2030.

Cabinet accepts the recommendation of the Brexit, Infrastructure and Legislation Overview and Scrutiny Committee that the Carbon Net Zero Strategy for the Freeport should consider carbon impact and seek to minimise carbon outputs in areas such as people and goods moving between sites and also on site.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

Health and Safety – Plymouth City Council Health and Safety policies will apply to Freeport Staff operating from our premises.

Risk Management - the key risks related to this decision are set out in the report. Monthly exception reports are produced for the Freeport Shadow Board.

Child Poverty – the Freeport will promote physical, economic and social regeneration delivering infrastructure, inward investment and a pipeline of jobs across the spectrum of employment from entry level to higher skilled/high value with upskilling opportunities. By delivering an increase in employment and average earnings, and enhancing skills the Freeport will contribute significantly to tackling deprivation.

Equality and diversity - an Equality Impact Assessment is appended to this report. This document was first authored in April 2021 to inform the diversity statement our Freeport Shadow Board adopted in July 2021. The document has been kept open and regularly reviewed as we have developed our Freeport plans.

Most recently it has been updated to respond to the recommendations of the Brexit, Infrastructure and Legislation Overview and Scrutiny Committee to consider issues of diversity (eg employee access) and skills support in areas of deprivation together with noise and emissions/pollution between sites, as well as on site.

Appendices

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 1 of the Local Government Act 1972 by ticking the relevant exemption paragraph number</i>						
		1	2	3	4	5	6	7
A	Cabinet report							

B	Gateway policy							
C	Equality Impact Assessment							
D	Tax site maps							

Background papers:

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	1	2	3	4	5	6	7
Freeport Full Business Case Guidance							
Plymouth and South Devon Freeport – Outline Business Case			✓	✓			
Landowner Agreements – Heads of Terms			✓	✓			
Plymouth and South Devon Freeport – Financial and Economic Modelling Excel Spread Sheets.							

Sign off:

Fin	djn.21.2 2.304	Leg	MS/382 71.	Mon Off		HR		Assets		Strat Proc	
	Originating Senior Leadership Team member: David Draffan, Service Director for Economic Development										
	Please confirm the Strategic Director(s) has agreed the report? Agreed by the Strategic Director for Place. Date agreed: 14 th March 2022										
	Cabinet Member approval: Councillor Nick Kelly, Leader of the Council Date approved: 15 th March 2022										

Plymouth and South Devon Freeport**1.0 INTRODUCTION**

- 1.1 The Conservative Government's Party Manifesto included a commitment to create up to ten Freeports around the UK. In December 2020 Cabinet agreed that as Britain's Ocean City, and given our national marine cluster, it was important that we made a credible bid into the Freeport programme.
- 1.2 Our bid, which we submitted in February 2021, set the outer boundary of the Freeport to be consistent with the Plymouth and South West Devon Joint Local Plan. Three primary sites were identified; at South Yard in Devonport, Langage Energy Park and the Sherford Employment Zone, together with elements of the Port of Plymouth at Millbay Docks and Cattewater Harbour. The bid was jointly led by Plymouth City Council, South Hams District Council and Devon County Council.
- 1.3 In March 2021 the Chancellor announced the Plymouth and South Devon Freeport as one of 8 successful bids in England. Following this announcement Plymouth City Council, as the lead authority, led the development of an Outline Business Case. Governance and oversight was provided by a Shadow Board made up of senior officers from the local authority partners, the Heart of the South West LEP, Universities of Plymouth and Exeter and since January 2022 our principle landowners have joined the board.
- 1.4 We submitted our Outline Business Case in November 2021. Following a review by the Department for Levelling Up, Housing and Communities, we responded to a number of critical actions in February 2022. These included a requirement to make progress on delivering site specific agreements with landowners. Our response was welcomed subject to having landowner agreements finalised for at least one tax site and we were invited to submit our Full Business case ahead of a June/July start.
- 1.5 Our Freeport will unlock £311m in inward investment and create 3,584 jobs. We anticipate more than £100m investment and 1,000 quality jobs in the first 2 years. It will provide a new world class innovation space enabling us to build our global reputation for marine innovation. It will anchor some of our biggest employers, protecting existing jobs and ensuring they can expand their local operations. It will unlock 130 Hectares of development land to provide space for advanced manufacturing and logistics companies to come to Plymouth.
- 1.6 This reports sets out the necessary decisions and delegations to enable the Full Business case to be submitted by April 22nd 2022 and then to begin operations early in the summer.

What is a Freeport?

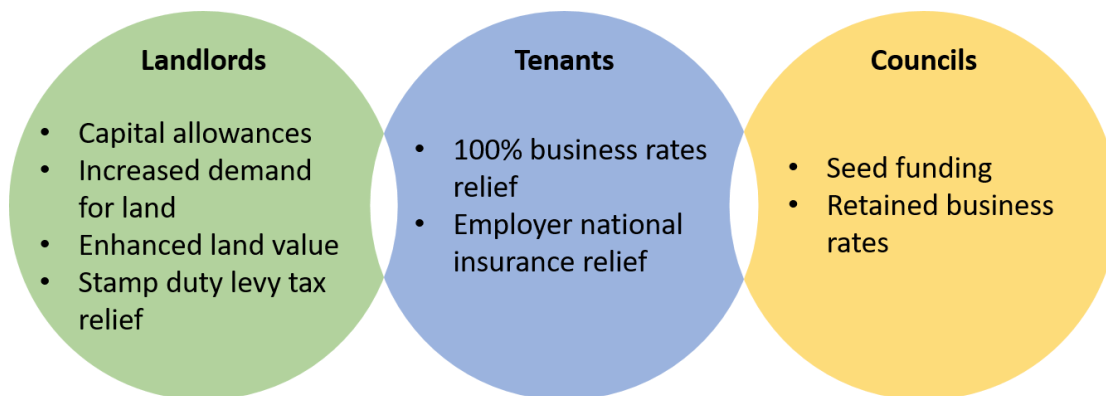
- 1.7 The Government have set three objectives for the Freeport programme, to: -
 - Establish Freeports as national hubs for global trade and investment across the UK: intensify the economic impact of our ports by enhancing trade and investment and generating increased economic activity across the UK
 - Promote regeneration and job creation: create high-skilled jobs in ports and the areas around them, prioritising some of our most deprived communities to level up the UK economy
 - Create hotbeds for innovation: create dynamic environments, capitalising on new ideas and fostering the conditions that will attract new businesses, investors and innovations.
- 1.8 To support the achievement of these objectives the Government will provide seed capital and a package of benefits encompassing tax and customs levers which will be made available in designated areas described as tax and customs sites.

- I.9 Tax sites are areas of undeveloped, or underdeveloped, land which will be developed as sites for new economic enterprises that support the achievement of the government's objectives, they are similar in most respects to Enterprise Zones. Each Freeport may identify up to three tax sites within its outer boundary where the tax reliefs will apply.
- I.10 Customs sites are areas which for practical purposes will be demarcated as being outside of UK customs territory. This enables businesses operating within them to suspend their liability to excise payments and VAT until such time as goods are brought onto the UK customs territory.

What are the benefits?

- I.11 Each Freeport will be granted up to £25 million of seed capital funding, primarily to be used to address infrastructure gaps in tax and/or customs sites that are holding back investment.

Figure I. Shows the possible benefits of a Freeport to different groups of stakeholders.



- I.12 Eligible businesses will have access to a suite of tax reliefs including:
- Business Rates Relief;
 - Stamp Duty Land Tax (SDLT);
 - Employer National Insurance Contributions (NICs);
 - Enhanced Structures and Building Allowance, and;
 - Enhanced Capital Allowances designed to incentivise new investment within the boundaries of Freeport tax sites.

These benefits will be available for 5 years, up until 2026/27.

- I.13 We and our partner local authorities will be able to retain 100% of the business rates growth above an agreed baseline. This will be guaranteed for 25 years, giving us the certainty we need to borrow and to invest in regeneration and infrastructure that will support growth.
- I.14 Business rates relief will be available for 5 years subject to eligibility criteria that we will develop locally and aligned to our gateway policy that supports the achievement of our strategic objectives for the Freeport.
- I.15 Businesses operating within Freeport customs sites will have access to simplified customs arrangements.
- I.16 We will provide a supportive planning environment through our Joint Local Plan which already has development policies covering our tax and customs sites.
- I.17 Freeports enjoy direct access to relevant regulators through a Freeport Regulatory Engagement Network (FREN). This will enable early engagement with regulators, minimising bureaucracy and uncertainty.

- 1.18 The Department for International Trade will provide targeted and specific trade and investment support to Freeports, helping them to secure investment and attract exporters.
- 1.19 Our Freeport will adhere to UK regulatory standards. Security, health and safety, workers' rights, data protection, biosecurity, tax avoidance and environmental protection will not be compromised.

2.0 THE PLYMOUTH AND SOUTH DEVON FREEPORT PROPOSAL

The Vision

- 2.1 The PASD Freeport will supercharge Plymouth's economy by building on our unique national capabilities in Marine, Defence and Space to form globally impactful superclusters and a UK Innovation Superpower.
- 2.2 As a South West Powerhouse, the full potential of the region will be realised by concentrating around the largest UK Naval port and Europe's only horizontal launch spaceport, high value primes and their rich supply chains.
- 2.3 The Freeport will deliver Levelling Up stimulus and drive local skills, jobs and higher wages. As an innovation hotbed, we will fuse already strong innovations with global leading projects and prototyping on synthetic testbeds and ocean proving grounds – spinning off viable products and early stage production runs in a supportive tax and regulatory environment.
- 2.4 Our Freeport will see the evolution of sub-sector specialisms including marine autonomy, maritime decarbonisation, digital oceans, smart port shipping, offshore renewable energy support solutions, defence mission modules and small satellite fabrication.

The Partnership

- 2.5 We are working in close partnership with the Department for Levelling Up, Homes and Communities and a number of other government departments, including HM Revenues and Customs, the Treasury and the Department for International Trade.
- 2.6 Our Freeport programme is supported by a local partnership between the public and private sectors, bringing together:-
- Three local authority partners – Plymouth City Council, Devon County Council and South Hams District Council
 - Two Universities - the Universities of Plymouth and Exeter
 - The Heart of the South West Local Enterprise Partnership
 - Anchor tenants and landowners - Princess Yachts, Langage Energy Park Limited and Babcock International
 - Port Operators and the Ministry of Defence

The Tax Sites

- 2.7 We propose to designate three tax sites: South Yard in Devonport, Langage Energy Park and the Sherford Employment Zone providing a combined footprint of around 130 HA for development.

South Yard

- 2.8 South Yard encompasses our Oceansgate development and the existing facilities owned by Princess Yachts, Babcock International and the Ministry of Defence. The site is economically underdeveloped with much of it being made up of underutilised buildings, some of which are the subject of preservation orders. We are in negotiating with the MOD to acquire an extended lease over underutilised facilities that remain within their control.

- 2.9 The total value of the developments proposed of this site, which include a new marine innovation centre, mobility hub and enhanced Princess Yacht's manufacturing facilities is circa £63m and we anticipate all of the development will come forward between 2022 and 2025, with the exception of later phases (3.2 and 3.3) of Oceansgate.
- 2.9 We are currently finalising the final boundaries to be applied to the site with the Treasury and will confirm these as part of the full business case.

Langage

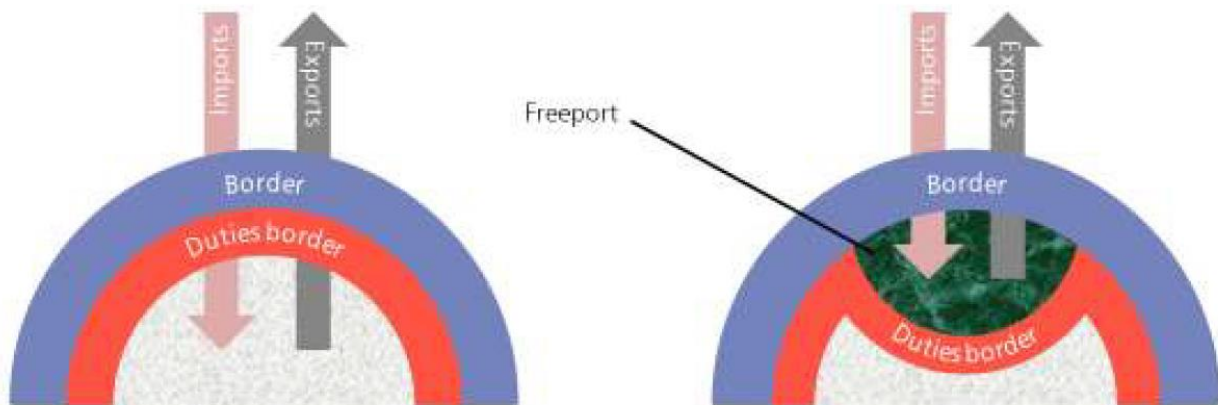
- 2.10 Located on greenfield land within the eastern corridor of the city, in close proximity to the A38 Expressway, the site is allocated in our Joint Local Plan for employment purposes. It will be developed as a tax site incorporating a customs zone to provide industrial and manufacturing space for high value manufacturing and engineering companies, focusing primarily but not exclusively on the marine, defence and space sectors. The site will also be home to a green hydrogen electrolyser plant and a mobility hub to deliver sustainable and low carbon transport options.
- 2.11 Development is anticipated to come forward in two phases, taking place between 2022 and 2027.
- Phase 1a will be delivered first encompassing a 25,000m² Customs Zone on land owned by Langage Energy Park Ltd. We already own a small parcel of land at Langage but we will need to acquire a significant parcel of land from its current owners before we can commence Phase 1b.
 - Phase 2 includes approximately 40 acres of solar farm owned by Langage Energy Park Ltd (LEPL). This occupies around 50% of LEPL's developable site. LEPL has development plans which would enable their plot to be developed in line with our Freeport objectives but this would require moving the solar panels.
- 2.12 However, the solar panels currently benefit from a feed-in tariff (FiT) which is contracted to 2036. LEPL has been in discussion with Ofgem to establish if this FiT could be continued at present levels to 2036 if the panels are moved. We are working with the national Freeport team to see if this issue can be resolved and if not this element of the Freeport will be removed.

Sherford

- 2.13 Located on the opposite side of the A38 Expressway to the Langage site, the Sherford Employment Zone forms part of the employment allocation of the Sherford new community. It will be developed as a logistics hub with coterminous tax and customs site boundaries, providing integrated warehousing, storage and engineering space for a single marine/defence contractor. This development is expected to come forward in the first phase of developments, taking place between 2022 and 2025.

Customs sites

- 2.15 A Freeport customs site (also known as a 'free zone') is a secure, enclosed customs zone where some normal tax and customs rules do not apply. It is the presence of customs sites that define a Freeport as something more than an economic zone.



- 2.16 Businesses operating from within a customs site derive 3 three main opportunities: -
- Tariff suspension - the ability to defer payment of VAT and excise duty until such time as imported goods cross into UK customs territory.
 - Tariff exemption – goods brought into the Freeport for export that never enter UK customs territory generate no liability to the payment of VAT or excise duty at all.
 - Tariff inversion – where goods are brought into a customs zone and processed into a final product and the excise duty on the final product is less than it would be on some or all of its components.
- 2.17 Our main customs sites will be delivered at two locations within our tax site boundaries at Langage and Sherford. Since these sites cannot be delivered before we have delivered necessary core site infrastructure, we have identified a third temporary customs site.
- 2.18 Located outside our tax site boundaries this will ensure that we can meet an HMRC requirement that we must have a fully operational customs site before we can be formally designated as a Freeport. Taken together these facilities will provide over 50,000 m² of warehouse and advanced manufacturing space.
- 2.19 To operate a Freeport customs site we must meet the conditions of an HMRC ‘designation order’. The designation order sets out who the Freeport customs site operator is and the conditions they must comply with. In the short term Babcock, who already meet the criteria, have agreed to seek authorisation as our customs site operator. We are currently considering longer term options, including the procurement of a single customs operator to cover all our customs operations.
- 2.20 We have committed to upholding the UK’s high standards for security and combatting illicit activity and we have therefore agreed to honour the obligations set out in the OECD Code of Conduct for Clean Free Trade Zones and the UK’s Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
- 2.21 We also have to maintain a security and illicit activity risk assessment with local partners and security stakeholders and put in place appropriate processes and governance arrangements for actively managing the security risks identified. These processes are subject to an annual security audit.

Anchor Tenants

- 2.22 Our proposal benefits from two anchor tenants who are currently based at South Yard.
- Babcock International – which works in partnership with the MOD at Devonport and has an overseas client base, providing through-life support for submarines, surface ships and

associated systems and equipment. Babcock's facilities at Devonport include the UK's sole licensed site for the refitting and refuel/defuel of nuclear-powered submarines, as well as docks to maintain, refit and modernise surface warships.

- Babcock currently employs over 7,200 people in Plymouth and has strong links with supply chain companies, with opportunities for on-shoring overseas clients. The Freeport represents a significant opportunity for them to expand operations in new economic areas through innovation and by developing an Integrated Logistics Hub at one of the tax sites as well as the re-development of redundant sites 'behind the wire' in South Yard.
- Princess Yachts which employs 3,000 staff on the South Yard Site to meticulously sculpt some of the most technically advanced and beautiful yachts in the world. The company has an advanced concept for a new 88ft super yacht which will be the first to integrate all of its sustainability initiatives through the use of efficient design, electrification and sustainable materials. The Freezone will offer an opportunity to create a flagship centre for luxury yacht manufacturing, creating 450 direct jobs.

2.23 At Langage, the Freeport will bring forward private investment for a 10MW hydrogen electrolyser plant which is planned to be online by the end of 2025. This will align with the Government's Hydrogen Strategy to underpin clean growth and low carbon transport for shipping and HGVs. The plant will utilise a live wire connection to the onsite solar farm and sleeved Power Purchase Agreements to ensure 100% green energy usage. Langage Energy Park Ltd (LEPL) is one of a handful of companies nationally able to deliver this type of plant, which mirrors a sister project in Manchester which is due to go live in 2023.

3.0 FREEPORT FUNDING

Capital Investment

3.1 Total investment in the Freeport is predicted to reach £314m. This is made up of £25m in Government seed capital grant with a local match of £29m. A further £10m will be raised through levelling up grant income and we anticipate total private sector investment levered be close to £250m.

Source	Total Value £'000
HM Government Seed Capital	£25,000
LA serviced debt/forward funding	£29,076
Grant Income (Levelling Up)	£10,000
Private Sector Investment	£249,670
Total	£313,746

3.2 At Langage £33m in public investment will be provided to support land assembly, site preparation and transport links. This will leverage £118m in private investment to build advanced manufacturing units and logistics facilities and a further £28m to deliver a Green Hydrogen electrolyser plant.

3.3 At Sherford £1m in public and £5m in private investment will support site preparation and transport links, private sector investment in off-site costs will be £3m and £62m will be invested in developing a state of the art logistics facilities.

Site	Detail	Lead LA	£m
Langage	Spine Road extension and plot access, Phase I	DCC	11.6
Langage	Link to Sandy Road	DCC	5.0
Langage	Land assembly - plot purchases	SHDC	7.0

Langage	Core Infrastructure @ Langage	SHDC	2.3
Langage	Security fencing @ Langage	SHDC	0.3
Langage	Cycle and pedestrian link to SW	DCC	7.3
Langage	Hydrogen Plant	Private Sector	28.2
Langage	Units	Private Sector	117.9
Sherford	Access roads @ Sherford	Private Sector	4.9
Sherford	Core Infrastructure @ Sherford	Private Sector	1.0
Sherford	Security fencing @ Sherford	SHDC	0.2
Sherford	Units	Private Sector	62.1
Sherford	Offsite costs at Sherford	Private Sector	2.9
PCC	Octagon Roundabout improvement	PCC	0.2
PCC	Ports Infrastructure	PCC	7.0
South Yard	Mobility Hub @ South Yard	PCC	8.6
South Yard	Innovation Centre	PCC	15.3
South Yard	Heritage Centre	PCC	0.3
South Yard	Re-routing MoD cabling to clear site	PCC	3.1
South Yard	Babcock	Private Sector	6.5
South Yard	Princess Yacht Factory @ South Yard - site remediation	Private Sector	22.0
Total			313.7

- 3.4 In South Yard public investment of £17.3m and a £10m levelling up fund grant will deliver a new Innovation Centre and Mobility hub at Oceansgate. Princess Yachts will invest £22m to deliver a new factory to build the next generation of super yachts, supported with £0.9m of public investment and Babcock will invest £6.5m in new and upgraded infrastructure.
- 3.3 Associated British Ports will invest £5.7m supported with a £1.3m public sector investment in the developing new port infrastructure to ensure adequate additional capacity and to provide enhanced freight facilities.

Public sector funding

- 3.4 Subject to Cabinet approval by each LA partner the local authority partners will forward fund the required local match for the £25m seed capital grant serviced by retained business rates

Local Authority	Forward Funding £000s
Devon County Council	14,289
South Hams District Council	4,625
Plymouth City Council	10,162
Total	29,076

Business rates

- 3.5 Debt will be serviced primarily through the business rates generated by the Freeport. The uplift in NNDR generated on the Freeport tax and Customs sites collected by the local authority partners will be held in ring fenced Freeport accounts by the precepting authorities. We estimate that this will generate £72m over a period of 25 years. In Plymouth retained business rates income will be supplemented by other income from South Yard including rental income from Oceansgate.

- 3.6 The first call on the retained business rates will be the repayment of public sector forward funding to support Freeport investment. The funds generated will also be used to support operating costs after the first five years. The predicted surplus of £32m after these costs are met will be reinvested to meet wider Freeport objectives with the early priorities being innovation and skills funding and offsetting the impact of any displacement of economic activity from the surrounding area.

Freeport Income and Expenditure	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	06 - 10 £'000	10 - 15 £'000	16 - 20 £'000	20 - 25 £'000	Total £'000
Income										
NNDR Retention	0	7	712	1,793	2,186	14,219	15,945	17,601	19,440	71,902
Other Income at South Yard	94	139	163	198	356	2,954	3,609	3,763	3,642	14,919
Total income	94	146	875	1,991	2,542	17,173	19,554	21,364	23,081	86,821
Expenditure										
Total debt charges	(29)	(209)	(671)	(1,005)	(1,295)	(7,765)	(7,765)	(7,765)	(7,765)	(34,269)
Lifecycle costs	0	0	(168)	(170)	(187)	(1,456)	(2,088)	(2,396)	(3,117)	(9,582)
Total Operating Costs	0	0	0	0	0	(2,290)	(2,527)	(2,789)	(3,080)	(10,686)
Residual Income	(29)	(209)	(839)	(1,176)	(1,482)	(11,511)	(12,380)	(12,950)	(13,962)	(54,536)
Expenditure Total										
	66	(63)	36	815	1,060	5,663	7,174	8,414	9,119	32,284
Risk sensitivity			5%	45%	48%	40%	45%	48%	47%	45%

- 3.7 Sensitivity testing of our financial modelling has considered a range of possible reasonable worst case scenarios, including increased capital costs or construction delays, rising inflation and/or interest rates, a shortfall in private investment, and slower than predicted occupancy rates.

Operating model

- 3.8 The operating model will create 7 new posts (4.5 FTE) including a Freeport Chief Executive Officer. An additional indicative sum is included in the operating model to secure a customs site operator when our main customs sites at Langage and Sherford are operational.

Freeport Operating Costs		Start Date
Freeport CEO		Jun-22
Freeport Manager		Jun-22

Skills Coordinator	Jun-22
Project co-ordinator (P/T)	Jun-22
Customs & security operator (via SLA)	Apr-24
Marketing, Trade and Investment Manager	Jun-22
Innovation Manager	Jun-22
Finance Manager	Jun-22
Annual Total Expenditure	£398,500

- 3.9 In the first year of operation 2021/22 additional non repeating expenditure will be required to support specific functions required to achieve Freeport mobilisation. These include staffing and consultancy costs incurred before the Freeport team is recruited, marketing expenditure to ensure our investor pipeline is robust and additional planning capacity to ensure expeditious processing of the large volume of planning applications we expect the Freeport to generate in its build out phase.

Non repeating costs	
Planning support	60,000
Programme Management	52,877
Other staff costs (Q1 22/23)	100,000
Consultancy costs (Q1 22/23)	125,000
Additional Marketing budget to support pipeline development (Q1 2021/22 until – Q2 2022/23)	90,600
Total	428,477

- 3.10 Our operating model will be fully funded through public and private sector landowner contributions supplemented with our government Freeport revenue grant over the first 5 years. We anticipate a small in year revenue overspend in 2021/22 and this has been covered with the application of a PCC grant which will be repaid in subsequent years.

Funding	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
DLUHC for OBC	300,000	300,000				
DLUHC for FBC	187,500	187,500				
DLUHC ongoing	512,500	467,460	45,040			
PCC internal loan	97,244	97,244	- 92,470	- 1,560	- 1,591	- 1,623
Plymouth City Council	50,000	50,000				
Income subtotal	1,147,244	634,744	467,460	47,430	1,560	1,591
Income from landowners	350,000	175,000	357,000	364,000	371,350	378,700
Oceansgate (PCC)	50,000	25,000	51,000	52,000	53,050	54,100

Income subtotal	400,000	-	200,000	408,000	416,000	424,400	432,800
Total Operating Income		634,744	667,460	360,570	414,440	422,809	431,177
Operating Profit / (Loss)		0	0	0	0	0	0

Plymouth City Council

- 3.11 Plymouth City Council will fund its capital investment in the Freeport programme through a combination of retained business rates generated by new economic activity in the Freeport, rental income and legacy income from earlier phases of the Oceansgate Programme. This will be supplemented through a £10m bid to the levelling up fund. Sensitivity testing suggests our operating surplus will be sufficient to cover any reasonable worst case scenario.

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Plymouth	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Retained Business Rates - South Yard	0	0	113	149	194	1,130	1,247	1,377	1,520	5,729
Rents surplus/(deficit)	(20)	(10)	52	139	282	2,009	2,219	2,450	2,704	9,824
Contribution from earlier phases of EZ	114	149	111	59	74	945	1,391	1,314	937	5,095
Total income	94	139	276	346	550	4,084	4,856	5,140	5,162	20,648
Total debt charges - South Yard	(23)	(145)	(308)	(399)	(399)	(1,997)	(1,997)	(1,997)	(1,997)	(9,262)
Lifecycle costs - South Yard	0	0	(130)	(133)	(135)	(718)	(793)	(875)	(966)	(3,750)
Freeport operating costs - South Yard	0	0	0	0	0	(572)	(632)	(697)	(770)	(2,672)
Residual Income - South Yard	71	(6)	(163)	(185)	15	797	1,435	1,571	1,429	4,964

Business case for Oceansgate - phase 3

- 3.12 The vision for the Oceansgate development in South Yard, Devonport, is to bring together marine based businesses, partners and stakeholders, to create a world class hub for marine industries, with opportunities for research, innovation and production in a collaborative environment.

- 3.13 The first phase of the project, developed directly by the Council, and providing approximately 1,200m² of light industrial business space (Endurance Court) and 1,300m² of office space (Endeavour House), was successfully completed in April 2018. Phase 2, comprising a further 1,300m² of light industrial business space and 1,100m² of office space, was successfully completed in February 2021.
- 3.14 The masterplan for the Oceansgate development envisages a third phase made up of:
- Phase 3.1 Innovation Area
 - Phase 3.2 Skills & Technology Area
 - Phase 3.3 Prototype Area
 - Phase 3.4 Marine Transformation Services Area
- A feasibility study has been carried out to show that Phase 3.1 can be developed as a standalone project. Later phases require a major programme of enabling works to proceed.
- 3.15 The development of a new Innovation Centre and Mobility Hub is a key element of the masterplan for the Oceansgate project (Phase 3.1) and of the Freeport South Yard Tax Site. This is a project of strategic importance that will generate significant new employment and business opportunities, and provide a major boost to the delivery of later elements of Phase 3 of the Oceansgate project and the wider PASD Freeport enterprise.
- 3.16 The Centre will provide collaboration space for businesses to develop new projects and will include meeting rooms and supporting equipment to allow organisations to quickly develop new technology. It will host the Ocean Futures innovation delivery service, Smart Sound Plymouth HQ, Smart Sound Connect control centre as well as the Marine Assured Autonomy Testbed and ROADS project teams.
- 3.17 A full capital investment business case will be brought forward dealing with funding, MOD leases, cash flow, sensitivity analysis, and demand. The MoD have agreed, in principle, to release land to enable Phase 3.1 to progress and the designation of South Yard as a Freeport Tax Site opens a window of opportunity.
- 3.18 Oceansgate 3.1 will see the development of a 3,770m² Marine Innovation Centre and Mobility Hub, including a new 173 space multi storey car park. The proposal is a key element of the masterplan for the Oceansgate development and the South Yard Tax Site unlocking future phases of development.
- 3.19 At an estimated cost of £27.3m, in addition to Freeport seed capital serviced borrowing and a round 2 Levelling Up fund award will be required. The Department for Levelling Up Housing and Communities are encouraging this type of blended approach to funding, however a full capital investment business case will need to be approved in due course.
- 3.20 This is a project of strategic importance that will generate significant new employment and business opportunities, and provide a major boost to the delivery of later phases of the Oceansgate project and the wider Freeport enterprise.

Description	Total Cost	Seed Capital	LUF Grant	Service Borrowing
Phase 3.1	£27.3m	£7.25m	£10m	£10.05m

- 3.21 The Innovation Centre will cost £12,034,187. This equates to £3,192/m², more expensive than a typical office building, but consistent with a quality statement building with a high level of fit out

and built in difficult ground conditions. A further £1,867,722 will be required to meet associated infrastructure costs.

- 3.22 The multi-storey car park and mobility hub will cost £7,009,563. The cost per parking space is circa £39.5k which reflects the small size compared with typical multi storey designs and reflects the need to incorporate a Mobility Hub. The site is also burdened with difficult ground conditions and certain security and aesthetic requirements and will require an additional £778,921 in related infrastructure costs.
- 3.23 In addition to these construction costs, the cost estimate includes circa £4.658m for Ministry of Defence separation works, fees, surveys, client contingency and other costs. The total development cost for the Innovation Centre, car park and mobility hub is £26,348,393.
- 3.24 This proposal is subject to confirmation of DLUHC Freeport and LUF Round 2 funding, and full business case approval by the Council in due course. Up to £8.0m of serviced borrowing has already been approved for Oceansgate Phase 2, and our financial modelling indicates that a further £10.05m service borrowing for Phase 3.1 is affordable out of the projected rental income and retained business rates that will be generated, supported in the early years of the project by approved MTFP revenue funding.
- 3.25 Commitment of the additional service borrowing will be subject to a demand study on the proposed new Marine Innovation Centre that we are currently in the process of procuring to demonstrate that there is sufficient market demand for the development at the level of rent required to support our proposed service borrowing.

Accountable Body

- 3.26 Plymouth City Council will act as the sole accountable body for Freeport seed capital grant. A delivery plan incorporated within a member's agreement will be agreed to govern how this money will be managed and accounted for.
- 3.27 Plymouth City Council and South Hams District Council will establish ring fenced funds to receive the retained business rates and allocate them in accordance with a Business Rates retention policy agreed by the Local Authority Partners through the Joint Local Partnership Group (Member Steering Group once we establish the Freeport as a Company). This will include the central government reimbursement of funds allocated to support the 5 years business rates relief we expect to give businesses that comply with our gateway policy.
- 3.28 The Member Steering Group will receive an annual audit report prepared by the S.151 officers of the Local Authority supported by the Freeport finance manager.

Financial Risk

- 3.29 The current principle financial risks are set out in the table below, all project related risks are reviewed regularly by the Freeport development team.

Risk	RAG	Mitigation	RAG (Post Mitigation)
Success of Freeport depends on wrap around innovation service, funded externally from Freeport budget.		Funding strategy in place to secure Shared Prosperity funding and Innovate UK funding	
Funding model agreement is dependent on final signing of landowner agreements		Direction of travel and Heads of Terms agreed with all major Landowners.	
Financial model is dependent on final HMT sign off re Tax Site demarcations.		Round table discussion arranged with HMT to finalise site demarcations. Detailed	

		evidence base prepared and submitted in collaboration with Landowners and supported by wider (Government) Freeport Team.	
Levelling up funding required for the capital build of the innovation centre.		Funding strategy in place with an experienced bid team.	
Local authority exposure to underwriting 1/3 rd of the Freeport Company Limited by Guarantee. Total liability circa £130,000 per annum for a period of 5 years.		Offset by grant from HMT and retained business rates.	
Initial legal counsel suggest we will not be able to achieve certainty about the application of public subsidy regulations.		DLUHC have provided written assurance that we will be able to reallocate seed capital if subsidy control issues force us to reconsider capital allocation as a result. We will ensure that private sector partners are appraised of the risk.	

4.0 FREEPORT GOVERNANCE

Evolution of our governance model

- 4.1 The Freeport is a partnership arrangement involving long term financial arrangements that accordingly needs strong governance. The Freeport guidance identifies a number of requirements in settling on our preferred governance model. These include:
- A detailed statement of the long-term governance arrangements for the Freeport (including key governance documents), why these are appropriate, and how they will evolve over time as needed
 - A clear statement of any changes to the arrangements set out in the OBC
 - A clear and well justified schedule of delegation, allocating of accountability and delivery responsibility for each element of the Freeport proposal
 - Evidence of appropriate memberships for the governance body, subcommittees, and delivery teams, with clear and well justified roles and responsibilities for all key stakeholders (including private and public)
 - Evidence that the necessary expertise will be available to facilitate effective Freeport delivery, including how this will be recruited, developed, and, if appropriate, contracted
 - Clear timescales and processes for changes to governance and management arrangements, including recruitment and any plans for incorporation
- 4.2 Our governance arrangements continue to evolve as we move forwards from submission of our Outline Business Case. We have now invited key private sector partners to join the Plymouth and South Devon Shadow Freeport Board as full members. The full members now include the Local Authority partners, the Heart of the South West Local Enterprise Partnership, the University of Plymouth (on behalf of the Universities of Plymouth and Exeter), Babcock International, Princess Yachts and Langage Energy Park Ltd.

- 4.3 In our Outline Business Case, we set out our intention to establish the Freeport as a legal entity, with our preferred option being a Company Limited by Guarantee. Board members have received counsel about the suitability of this model from our retained legal advisors Womble Bond Dickson and pending their agreement, we anticipate issuing instructions to create a suitable company model.
- 4.4 We considered a range of alternative legal models include a contractual joint venture, which is a model we have used successfully before to deliver public/private initiatives. Other alternative we looked at were a special purpose vehicle and various incorporated company models involving an equity arrangement.
- 4.5 The Freeport Company delegated authority will be based on the flow of powers transferred from Government via primary legislation to Plymouth City Council, Devon County Council and South Hams District Council. The Local authorities in turn will create and commission a Freeport entity to manage the Freeport within a defined scheme of delegation and Local Authority reserved matters. In this way the Freeport Company has autonomy to operate and run the Freeport within its delegated powers.
- 4.6 The legal model will be a company limited by guarantee with Plymouth City Council, Devon County Council and South Hams District Council as founding members. A 'Members Agreement' will enshrine the Freeport governance model between the 3 authorities and will also define the Freeport Company's scheme of delegation and the Local Authority reserved matters. The Company 'member's agreement' will give the Local Authorities the necessary control to oversee the delivery of Freeport business plan as accountable bodies and scrutiny of public finances, whilst giving the Freeport company the autonomy to run the Freeport within defined limits.
- 4.7 The Freeport Company will have the following features and principles.
- **A members steering group** made up of the leaders and Chief Executives of each of the three local authority partners will provide strategic oversight and ensure alignment with the emerging County deal.
 - **An independent board of directors** with a chair from the private sector to provide clear evidence of private sector leadership, we will set out the process through which the chair will be appointed in the scheme of delegation. It is anticipated that the Founding directors will include but not limited to:-
 - Private Sector Chair
 - Directors from each Local Authority
 - Directors from landowners in each tax site including Princess Yachts, Babcock, Langage Energy park Limited
 - A Director from the Port Operators, Universities and Business Organisations
- A Memorandum and Articles** of Association setting out the remit and roles of the directors, a scheme of delegation and matters reserved to the founding members.
- **A Members' Agreement** binding the three local authorities to perform their functions and roles and their engagement with the Freeport Company based on the key principle of a partnership of equals, incorporating: -
 - **An annual delivery plan and budget** – proposed by the Freeport Company, sanctioned by the Founder members with respect to their reserved matters and approved by the Board of Directors who will hold the Freeport Company to account for its delivery, and;
 - **Policies and bilateral agreements** between the Local Authorities governing the use of Business Rates - to supporting borrowing and long term operational costs, including the proportion of business rates from each collecting authority, and the mechanisms for deciding the application of surplus retained business rates and redressing displacement.

- **A standard Service Level Agreement** to secure and fund commissioned activities from the Freeport Company to a range of partners including – Skills, Inward Investment, Innovation Services - where a budget is available or has been secured.
- **Partnering Agreement / Local Authority Agreements** –where it would not be appropriate to utilise the Members Agreement.

4.8 The Freeport Company is responsible for the management of the Freeport, employment of staff, delivering the Freeport business case and providing agreed shared services. It is anticipated these shared services will include marketing, inward investment and skills activities as they relate to the Freeport. The Landowners are responsible for delivering their individual sites and The Councils are responsible for delivering the Capital works funded by Freeport capital funding and retained business rates.

4.9 The Local Authority reserved matters will include but not be limited to:

- Agreement of the Freeport Company's annual business and financial plan.
- Appointing the Chair of the Board.
- Agreeing a scheme of delegation for the Freeport Company.
- Enforcement of the landowner agreements and gateway policies
- Allocation of retained business rates surpluses beyond those identified in the Freeport Full Business case
- Annual joint scrutiny

Additionality and Gateway Policy

4.10 Government requires Freeports to clearly demonstrate that they avoid displacing activity from elsewhere and provide genuine additionality – bringing in new jobs and investment.

4.11 Our proposals at Langage and Sherford unlock key employment sites that have been stalled for many years. The growth would either not have happened at all in the absence of the Freeport, or would have happened much more slowly. Whilst South Yard has existing development, the site is significantly underutilised in part due to the condition of the existing buildings. Freeport levers will enable Plymouth City Council and our key anchor tenants to develop and repurpose significant parts of the site, creating new jobs and leveraging additional investment.

4.12 The Freeport is focussed on attracting new high value investment within target sectors to the Freeport. These sectors are advanced manufacturing and engineering with a particular focus on marine, defence and space including low carbon applications.

4.13 To ensure this is realised we will establish robust governance and management structures which align prospective tax and custom site tenants with the delivery of the identified Freeport benefits and objectives. The adoption of a Gateway Policy mitigates against risks to delivery of these benefits by providing clarity on the eligibility of prospective businesses and/or organisations into the Freeport sites.

4.14 The Gateway Policy will form the basis for agreements between the Freeport Company, private sector landowners and tenants who will ultimately be the beneficiaries of the tax site levers including Business Rates Retention (BRR). Compliance with the gateway policy will be the trigger for the application of discretionary Business Rates Relief.

4.15 UK companies and/or organisations looking to locate within the Freeport, will need to meet certain gateway criteria, which are likely to include:-

- Businesses will need to clearly demonstrate how the proposed Freeport operations fall into one or more of the sectors above;

- Businesses will need to clearly demonstrate how the proposed Freeport operations represent incremental investment and employment additional to existing operations;
- Local businesses will not be precluded from applying to locate within the Freeport but will need to evidence new economic activity; and,
- If a business is relocating for purposes of growth then evidence will be required to prove that no appropriate expansion space was available at the current site.

4.16 Landowners can discuss other uses with the local authority, should they be able to demonstrate they have made best endeavours to comply with the Gateway Policy requirements, without a pipeline of suitable prospects coming forward.

Landowner Agreements

- 4.17 We have extensively engaged with all our landowners co-designing and then issuing a series of bespoke heads of terms, a gateway policy, site benefits analysis, a new revenue budget and a detailed delivery programme.
- 4.18 The heads of terms define the parties to each of the agreements, the Landowner, relevant Local Authority and the Freeport, and commit them to work together to developing the site in accordance with the Plymouth and South Devon Freeport vision. The boundaries of each the tax sites are defined and the indicative capital sums to be invested in the site by each of the parties.
- 4.19 From the agreements above, Plymouth City Council will be the local authority and rating authority for all of the South Yard agreements, entering into agreement with the respective landowners and the Freeport Authority. In the context of the Oceansgate 3.1 site, Plymouth City Council will enter an agreement with the Freeport Authority as a landowner, making a commitment to the proposed capital development.

The outputs

- 4.20 Our Freeport proposal is highly ambitious and transformative the top ten outputs we anticipate are: -
- 1. 3,584 direct jobs created with an average wage level of at least £13.92 per hour**
 - 2. 10% of jobs created to be filled by inactive claimants and registered unemployed**
 - 3. 3,000 m² of skills infrastructure**
 - 4. 2,400 m² of new innovation space**
 - 5. 137.9 hectares of land developed**
 - 6. 5 new businesses each year**
 - 7. 2-3 new FDI each year**
 - 8. 40 Business/Higher education collaborations annually from 2022**
 - 9. £4m a year in private investment in research & development**
 - 10. 10 new products developed for market**
- 4.21 We expect the Freeport to deliver wider benefits such as an uplift in land value, labour supply, a skills uplift and the jobs/GVA arising from the construction of the Freeport. Our economic modelling estimates the total value of these and other benefits at £409.5m over a 15 year timeframe.

Timeline

- 4.22 The key milestones and latest dates are set out in the table below. The memorandum of understanding between the government and the local partners cannot be issued less than 21 days after the tax sites are legally established so these are in practice the earliest possible dates. However if these dates slip there is nothing to stop us commencing work on site in anticipation of the grant letter and memorandum being issued.

Milestones/Latest Dates	Date
Plymouth City Council Decision	23/02/2022
South Hams District Council Decision	31/03/2022
Devon County Council Decision	13/04/2022
At least one site specific agreement is signed by all parties	20/04/2022
Freeport Governing Body endorses the Full Business Case	21/04/2022
Joint Local Partnership endorses the Full Business Case	21/04/2022
Plymouth City Council signs off on the Full Business Case as lead accountable body under delegated arrangements set out below	21/04/2022
Full Business Case is submitted to Department for Levelling Up, Homes and Communities	22/04/2022
Staff recruitment process commences	01/05/2022
Primary customs site is operational and HMRC approvals are achieved.	06/06/2022
Tax site(s) covered by site specific agreements are legally established by statutory instrument	07/06/2022
Department for Levelling Up, Homes and Communities sign off Full Business Case and issue Memorandum to Freeport Governing Body	28/06/2022
Freeport governing body signs off on memorandum.	01/07/2022
Plymouth and South Devon Freeport is formally designated and section 31 grant letter is issued to Plymouth City Council	01/07/2022
Freeport is operational and works commence on site.	01/07/2022
All Sites will be online within 5 years of summer 2022.	31/03/2027

Risks and Mitigation

- 4.20 The top 5 risks associated with the Freeport are set out below. Our risk register is regularly reviewed by the Freeport team and all risks are reported through Freeport governance arrangements and actively managed by the Freeport delivery team.

Risk Description	Combined Score	Mitigation	Combined Score
State subsidy framework could inhibit use of seed capital	16	Agreement reached with DLUHC reached that seed capital can be reallocated subject to a project change request. Legal advice suggests we need to carry out point by point review (7 principles) as this will provide best defence to challenge. Will need to demonstrate public interest outweighs market distortion.	16

Land acquisition (CPO) takes 3 years leading to reduced scale of Freeport deliverability	20	Early engagement to determine likely timescales. Realistic budget allocated to secure sites reflecting wider economic value	15
Highways England stop further planning at any site until junctions are improved	20	25,000m2 of employment space is consented and available for uptake at Langage and about 14Ha of space will become available at Sherford. Work collaboratively with Highways England as part of infrastructure board to develop solutions and phasing. Can any additional traffic burden be acceptable during a build phase of any new major infrastructure? Modelling at FBC stage to test and understand.	12
South Yard - Co-ordination of MoD services separation and diversion within the Base impacts on programme and cost	20	Secure funding for enhanced contingency allowances, reflective of work to date (e.g. HV).	12
Unexpected/increasing costs require additional funds to be secured or the scale back of plans (related to landowners and transport infrastructure costs)	16	Sensitivity testing on financial construction variables complete, but full transport impacts not yet known.	12

5.0 RECOMMENDATIONS

5.1 Recommendation 1 – Cabinet is asked to note the progress of the Plymouth and South Devon Freeport and to delegate approval of the Full Business Case for submission in April to the Strategic Director for Place.

Alternatives considered – the deadline for submission of the 22nd April and upcoming pre-election period dictate that we have to seek a delegated decision.

5.2 Recommendation 2 - Cabinet is asked to agree the role of Plymouth City Council as the accountable body for the Plymouth and South Freeport with responsibility for administering the £25m government seed funding.

Alternatives considered - An option involving all three Local Authorities acting as accountable bodies for activity in their own area was considered but viewed ultimately as unnecessarily complex and bureaucratic.

5.3 Recommendation 3 – Cabinet is asked to delegate authority to the Strategic Director of Place to sign the Freeport Memorandum of Understanding and associated legal agreements with Government and partners - setting out government expectations, funding arrangements, outputs and partner obligations.

Alternatives considered - The terms under which the Seed Capital grant are made are set by the Government so no alternative arrangement was considered.

- 5.4 **Recommendation 4 – Cabinet is asked to approve the Oceansgate Phase 3 Outline Business Case and associated service borrowing (funded by retained business rates) subject to a detailed business case and successful Levelling Up Fund grant application.**

Alternatives considered - We considered financing the capital requirement in the Oceansgate Business Case wholly from retained business rates and concluded that increasing the proportion of grant income to be applied was a more robust approach.

- 5.5 **Recommendation 5 – Cabinet is asked to agree the Freeport operating model, staff structure and revenue budget including the Local Authority annual £50k contribution which will be funded from the Oceansgate revenue budget.**

Alternatives considered - We considered alternative charging mechanisms that would have leveraged tax benefits such as a fee based on square meterage of employment floor space provided and the number of new employees benefitting from employers national insurance relief. Ultimately these models were overly complex and less certain than the flat fee arrangement we have settled on.

- 5.6 **Recommendation 6 – Cabinet is asked to agree to establish a company limited by guarantee to become the Freeport managing entity, with Plymouth City Council, Devon County Council and South Hams District Council as its founding members based on the terms set out in this report. Delegate to the Strategic Director of Place authority to sign any legal or other agreements that may be required, including the members agreement reserved matters and a scheme of delegation as set out in paragraph 4.9.**

Alternatives considered - various alternative company models were considered and advice taken both internally and through government appointed consultants. The Company Limited by Guarantee emerged as the most likely suitable model. This preference was then stress tested by Womble Bond Dickson.

- 5.7 **Recommendation 7 – Cabinet is asked to delegate to the Strategic Director of Place the authority to enter into Freeport landowner agreements, including those relating to Oceansgate and the South Yard Tax site, as may be required in pursuance of the Freeport Objectives set out in the report and to discharge our obligations as the accountable body.**

Alternatives considered – The Department of Levelling Up Homes and Communities have imposed a condition that we must bring forward at least one site specific agreement before the 20th April 2022. The work required cannot be completed in time to bring this to cabinet for agreement before we enter the pre-election period.

Summary and next steps

- 5.8 It has been a little over 12 months since the Chancellor of the Exchequer announced that our Freeport bid was successful and that Plymouth and South Devon Freeport would become one of the eight English Freeports. We were expected to deliver at pace and we have.
- 5.9 The commitment given to realising the vision we set out in our bid, not only from our internal team, but also by our partners, especially South Hams District Council and Devon County Council has been outstanding. We are grateful too, to our private sector partners, our Local Enterprise Partnership and Universities who have been supportive from the outset and with whom we have built even closer relationships as we move forward to submit our Full Business Case.

- 5.10 The Plymouth and South Devon Freeport is one of the biggest undertakings Plymouth City Council has embarked on post war. It will truly enable us to build back better in the wake of the COVID 19 pandemic providing 1000s of new jobs to underpin our recovery.
- 5.11 It is designed to leverage our strengths, our thriving marine innovation sector and traditional defence links as well as the emerging space sector. Our biggest employers serve as our anchor tenants and the Freeport not only anchors them to the city for the future but enables them to pursue ambitious expansion plans.
- 5.12 The Freeport unlocks much needed employment land to create space for a new wave of light manufacturing and green energy firms to locate in the area and the tax and customs benefits will provide additional incentive to accelerate the rapid development of the sites.
- 5.13 Our new marine innovation centre will serve as a hotbed for innovation leading to the development of new products we can take to a global market place with the support of government opening up new trading opportunities. Our ports will benefit from that uplift in trade and we will provide new logistics facilities and customs zones to facilitate and encourage export orientated businesses to locate their operations within our Freeport.
- 5.14 There are risks, but we have carefully assessed them and we are confident that they can be managed. The rewards are proportionately large, a vibrant economy delivering quality jobs, and new skills provision to ensure that residents in our most left behind wards can benefit.
- 5.15 The scale of investment the Freeport anticipates is a sign of our ambition to achieve our vision of becoming one of Europe's most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone.
- 5.16 We have achieved a great deal in a very short space of time, there is however a great deal more still to do before we are ready to submit our Full Business Case.

Key work streams include:-

- Bringing forward a primary custom zone and customs operator - before we are formally designated as a Freeport we must achieve HMRC authorisation for both site and operator.
 - Detailed delivery plans - are required for each tax and customs site, which must include plans for the delivery of highways and other essential infrastructure.
 - Key policy levers – we are expected to have plans and strategies in place to deliver against policy expectations, e.g. Innovation, Trade and Investment, Carbon Net Zero and Skills.
 - Retained business rates – we must provide granular detail about how we will use retained business rates to support Freeport delivery and a supporting policy framework.
- 5.17 In order to expedite delivery of this crucial work we have appointed an additional temporary project manager to supplement our existing capacity. However, there are timing factors that are outside our control which mean that we will not be able to complete all of the necessary work before we enter the pre-election period. We are therefore seeking delegated authority to sign off on our Full Business Case ahead of submission on 22nd April.

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Plymouth and South Devon Freeport

Gateway Policy

Introduction

The PASD Freeport recognises the importance of maximising additionality to the UK economy by attracting new high value investment within target sectors to the Freeport. These sectors are advanced manufacturing and engineering with a particular focus on marine, defence and space including low carbon applications.

This will be realised through establishing robust governance and management structures which align prospective tax and custom site tenants with the delivery of the identified Freeport benefits and objectives. The adoption of a Gateway Policy mitigates against risks to delivery of these benefits by providing clarity on the eligibility of prospective businesses and/or organisations into the Freeport sites.

The Gateway Policy will form the basis for agreements between the PASD Freeport Board, private sector landowners and tenants who will ultimately be the beneficiaries of the tax site levers including Business Rates Retention (BRR). Compliance with the gateway policy will be the trigger for the consideration of discretionary Business Rates Relief by the relevant Council.

The purpose of the Gateway Policy will be to ensure that the PASD Freeport supports the clustering of businesses with a focus on the target sectors set out above. The core objective of the Gateway Policy will be to encourage international investment to meet our Freeport vision and objectives, and also to minimise displacement of existing economic activity. The aim is to attract new businesses to the Freeport and the wider region, as well as existing businesses that intend to expand their operations and are likely to benefit from the Freeport levers and further to generate supply chain opportunities across the Freeport Outer Boundary, Travel To Work Area (and indeed across the wider South West). Annexes 1 and 2 provide further detail on the vision and strategy.

Eligibility

Whilst tax and customs benefits will be applied within the Freeport boundary under primary legislation, the consideration of business rates relief will remain discretionary with the local authorities, subject to subsidy control, and aligned to the Freeport vision.

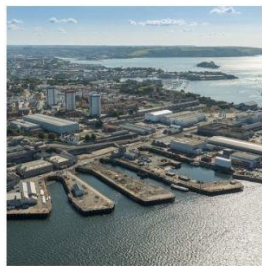
Landowners will align their development proposals to the Freeport vision for a period of a minimum of 5 years, including the key points around displacement.

With respect to UK companies and/or organisations looking to locate within the Freeport, the following criteria will be applied to the decision-making process:

- Businesses will need to clearly demonstrate how the proposed Freeport operations fall into one or more of the sectors above;
- Businesses will need to clearly demonstrate how the proposed Freeport operations represent incremental investment and employment additional to existing operations;
- Local businesses will not be precluded from applying to locate within the PASD Freezone but will need to show a significant uplift in new economic activity and growth to demonstrate genuine additionality that cannot be accommodated at their existing location; and,
- If a business is currently located within PASD and is a relocation for purposes of growth and/or expansion then evidence will be required to prove that no appropriate expansion space was available at the current site.
- Landowners can discuss other uses with the local authority, should they be able to demonstrate they have made best endeavours to comply with the Gateway Policy requirements, without a pipeline of suitable prospects coming forward.

Plymouth and South Devon Freeport

**Supercharging the South West economy
by building on our unique national
capabilities in marine, defence and space
to form globally impactful clusters and a
UK Innovation Superpower.**



- **SW Powerhouse** – realising the region’s full potential through the Freeport opportunity and thereby amass defence, marine and space primes and their rich local supply chains around the largest UK Naval port and near Europe’s only horizontal launch spaceport.
- **Levelling Up Stimulus** – driving much needed local skills, jobs and higher wages.
- **Innovation Hotbed** – fusing already strong innovation in marine, defence, space and enabling technology – with global leading projects and prototyping on synthetic testbeds and ocean proving grounds – spinning off viable products and early stage production runs in a supportive tax and regulatory environment.
- **Sub-sector Specialism** – marine autonomy, maritime decarbonisation, digital oceans, smart port and shipping, Offshore Renewable Energy support solutions, defence mission modules, small satellite fabrication.

Annexe 2 - Outline Business Case Executive Summary

EXECUTIVE SUMMARY

The Freeport represents a unique opportunity to level up, addressing historical challenges and leveraging exciting new opportunities to transform the economy of Plymouth and South Devon (PASD).

The PASD area has strong advanced manufacturing and engineering clusters with key specialisms in marine and defence where we can capitalise on major growing global markets. Spaceport Cornwall provides a new substantial prospect to establish a space cluster alongside these core regional capabilities. There are a range of opportunities within these sectors to put the area on the map as a science superpower, for example in autonomy and renewables, contributing to key national net zero agendas including short sea shipping within a smart port, autonomous and clean propulsion setting.

The area benefits from a range of natural and physical assets including:

- A natural harbour and sheltered water with deep water access to the English Channel and Atlantic Ocean for prototype testing, ocean trials and offshore renewable support;
- One of the largest naval bases in Europe with unique nuclear defence capabilities that allows for new applications, shipbuilding, transformative refits and on-shoring of specialist supply chains;
- The UK's first marine Enterprise Zone (EZ) at Oceansgate, underpinned by the Oceans Futures regional programme for sub-sector specialisms and focused marine innovation;
- World class businesses and research assets in marine autonomy and marine renewables with a plethora of high value and innovative civil and defence applications;
- The UK's first 5G connected ocean trialling area (Smart Sound) with plans to expand along coast and to subsea obstacle course and testbeds;
- Established freight routes through the Port of Plymouth with scope for growth with new routes and further rotations;
- Valuable waterside development sites with the potential to support marine/defence innovation and high value shipbuilding;
- Significant development sites within the Eastern corridor and favourable planning policies through the Joint Local Plan;
- A relatively uncongested major arterial road (A38 Devon Expressway) linking to the M5; and,
- In neighbouring Cornwall, Spaceport Cornwall providing the first and only horizontal launch site in mainland Europe allowing for a satellite high value manufacturing and system integration cluster to form.

With a proactive knowledge base including the universities of Plymouth and Exeter and a range of local colleges, there is a strong commitment to skills development, innovation and maximising R&D opportunities. However, despite these assets, there are comparatively low numbers of exporting businesses, low levels of innovation/R&D currently and skills deficits in key disciplines within the workforce. Additionally, there is a lack of modern workspace for businesses: the area suffers from major viability constraints which inhibit the private sector from bringing forward employment land. This lack of investment in infrastructure and space impedes business clustering opportunities for sub-sector specialisms and focused innovation. This in turn holds back our plans to transform the economy through clean and inclusive growth.

The Freeport provides a unique opportunity to overcome these issues through:

- **Physical regeneration** – by delivering infrastructure to unlock key employment sites and innovation assets, supporting business clustering and clean growth opportunities;
- **Economic regeneration** – by delivering inward investment, supply chain opportunities and productivity gains within our identified growth sectors; and,
- **Social regeneration** – by delivering a pipeline of jobs across the spectrum of employment from entry level to higher skilled/high value with upskilling opportunities.

It builds on existing investments and assets, dating back to the City Deal and will specifically enable us to undertake land remediation, core infrastructure and supporting transport works to develop three core sites that have long remained undeveloped and underutilised. These will create the opportunity for businesses to benefit from customs breaks and tax breaks in order to achieve a post-tax return on capital through the supply chain and economy:

- **The South Yard site** – located near the Port, incorporates the existing Oceansgate EZ and will be further developed as a tax site, forming the centrepiece of our innovative hotbed. Focusing on marine and defence sectors, the site will include an innovation centre and a mobility hub to unlock further development. Anchor tenant, Princess Yachts, will develop a new factory on land which they already own within the site and Babcock will also redevelop two key buildings ‘behind the wire’ of MOD owned land on the site for new manufacturing capacity;
- **The Langage site** – located on greenfield land within the Eastern corridor of the city, in close proximity to the A38 Expressway, is a strategic employment allocation. It will be developed as a tax site with a customs zone incorporated within it and will provide industrial and manufacturing as well as light industrial units for high value manufacturing/ engineering companies, focusing primarily but not exclusively on the marine, defence and space sectors. The site will also be home to a hydrogen plant being developed by landowner Carlton Power and a mobility hub to deliver sustainable and low carbon transport options; and,
- **The Sherford site** – located on the opposite side of the A38 Expressway to Langage forms part of the employment allocation of the Sherford new community. It will be developed as a logistics hub with a coterminous tax and customs site boundary, providing integrated warehousing, storage and engineering space for a single marine/defence contractor (Babcock). Babcock will also, in the shorter term, bring forward a smaller customs zone on the Burrington Way Industrial Estate in the North of Plymouth. Though sitting outside of our tax site boundaries, it will nevertheless form part of the Freeport footprint, enabling Babcock to meet their immediate needs whilst also serving other early Freeport tenants.

Seed capital will also support enhancements at the Port to enable the value and tonnage of cargoes to be expanded, thus supporting short sea shipping and an associated modal shift.

Underpinning the above, we will work with the Department for International Trade (DIT) on national and global strategic marketing to attract investment into the area and stimulate exporting through the DIT Export Academy. Our gateway policies will ensure that businesses locating in the Freeport are not displaced from elsewhere in the UK, thus delivering additionality.

A bespoke Research and Innovation Strategy will be developed, engaging with the Freeports Regulation Engagement Network (FREN) on regulatory flexibilities and freedoms. An Employment and Skills Strategy will also underpin all activities, ensuring that partners can accelerate higher value employment and training opportunities whilst also enabling new employment and inclusion opportunities, education and career options and wider supply chain innovation activity. Subject to

securing additional funding, a marine skills academy will provide specialist facilities capable of delivering the volumes of relevant training required in key disciplines.

The Freeport has strong alignment with local and regional agendas and will deliver tangible outcomes in core government policy areas:

- **Creating a national hub for trade and investment** – delivering an increase in trade throughput and piloting short sea shipping, reducing freight transport emissions, improving regional connectivity, increasing FDI and investment, as well as increasing the number of businesses exporting;
- **Promoting regeneration and job creation** – increasing economic specialisation, delivering an increase in employment and average earnings, tackling deprivation and enhancing skills facilities; and,
- **Creating a hotbed for innovation** – increasing R&D spend, boosting GVA through increasing high value economic activity, increasing productivity, contributing to net zero research and innovation agendas and extending regional, national and international networks.

Our proposals deliver 3,547 jobs, represent good value for money, are commercially viable and are underpinned by sound governance and management structures. They are also backed by businesses with key anchor tenants having committed to investing in the Freeport and a strong pipeline of interest in the opportunity having been established.

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EQUALITY IMPACT ASSESSMENT

Plymouth and South Devon Freeport



STAGE I: WHAT IS BEING ASSESSED AND BY WHOM?

What is being assessed - including a brief description of aims and objectives?

Introduction

The Plymouth and South Devon Freeport is committed to equality and diversity and to ensuring that residents feel the benefit of this initiative. This high-level equality impact assessment explores the potential impacts for people with protected characteristics.

The Equality Impact Assessment (EIA) also considers wider social impact and inequality such as access to employment and skills development in areas of deprivation. The Freeport is committed to ensuring that a minimum of 10 per cent of the jobs created by the Freeport are directed towards our most deprived areas. The EIA has also considered the wider social impacts which the Freeport may have in the Plymouth, South Hams and Devon areas.

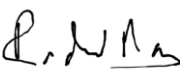
The shadow board have adopted the Equality and Diversity Statement and are committed to ensuring that residents and local people, especially those from deprived areas and marginalised communities, are able to reap the benefits of the Freeport. This EIA builds upon the commitment made by the shadow Freeport board to mainstream equality and diversity within the Plymouth and South Devon Freeport.

To minimise risks from the Freeport, a security and illicit risk assessment has been carried out separately to this EIA. The security and illicit risk assessment will be monitored separately and covers potential issues such as modern slavery and human trafficking.

Adverse environmental impacts such as reduced air quality and noise and disturbance identified in this equality impact assessment will be fed into our Freeport environmental impact assessment to ensure that impacts that we have identified which may adversely affect groups with protected characteristics will be appropriately mitigated.

Where additional formal decisions are required to inform the delivery and development of the Plymouth and South Devon Freeport, an EIA will be completed where required in line with the Council’s usual EIA process.

This EIA will be periodically reviewed and monitored within the wider Plymouth and South Devon Freeport monitoring and evaluation framework.

Author	Kevin McKenzie, Deputy SRO, Plymouth and South Devon Freeport
Department and service	Policy and Intelligence Team
Date of assessment	August 2021 and updated March 2022
Approved by	Richard May – SRO, Plymouth and South Devon Freeport 
Date of approval	15 March 2022

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information	Any adverse impact	Actions	Positive impacts
Age	<p>Plymouth The population of Plymouth in 2020 was 262,800, of which 165,900 63.1 per cent were aged between 16 and 64.</p> <p>Devon The population of Devon County Council area in 2020 was 810,700, of which 470,900 (58.1 per cent) were aged between 16 and 64.</p>	<p>Noise and disturbance – impacts Evidence has shown that both younger and older people are likely to have their physical and mental wellbeing negatively impacted by increased noise. For young people, for example, increased noise may impact on their wellbeing and ability to meet their educational potential. For older people noise disturbances can cause increased anxiety and exacerbate conditions such as dementia and tinnitus.</p> <p>Noise and disturbance – Plymouth Port The Freeport may increase the number of ships using the Plymouth Port and it is likely that this will increase noise and disturbance.</p> <p>Noise and disturbance – Increased traffic</p>	<p>Noise and disturbance – Plymouth Port As the port needs to operate at the time that the tide allows, it is not possible to mitigate against this impact given its nature. Although there is the potential for the increase in freight traffic to increase noise and disturbance for local residents, the parts of the Port that will be used are largely away from residential areas. The additional tax/customs sites will be on under-developed land, thus minimising impact to the extent that is</p>	The Freeport will provide extensive employment and educational opportunities.

<p>The Freeport will increase the amount of traffic on Plymouth roads, especially on roads near to the Freeport and within the Freeport itself.</p> <p>A new road link is planned in response to increased demand - spine roads are going to connect to the A38 to improve connectivity.</p> <p>Noise and disturbance – construction</p> <p>It is likely that the Freeport will result in an increase in noise from both construction and business as usual. Increases in noise have been linked to poorer health outcomes including negatively effecting both mental and physical health.</p> <p>Emissions</p> <p>Poor air quality and pollution has negative consequences for health and the local environment. In particular, a high quantity of particulate matter is linked to poorer health outcomes including negatively effecting both mental and physical health. This negative impact is more likely to effect young people as their lungs are still developing.</p> <p>Emissions – Plymouth Port</p> <p>The Freeport aims to significantly increase the volume of freight through the Port of Plymouth. Increasing the volume of freight brought in through the Port of Plymouth, rather than more distant UK ports, will reduce national emissions from the transport sector, as well as reducing congestion on trunk roads elsewhere.</p> <p>Emissions – Freeport (onsite)</p>	<p>possible. South Yard is in close proximity to a local school and the Sherford employment zone is part of the wider Sherford village development. Langage, the largest site where most of the construction is going to take place, is greenfield and is not directly adjacent to residential area.</p> <p>Noise and disturbance – Increased traffic</p> <p>We will consider the possibility to explore noise monitoring and reduction initiatives in the vicinity if required. Any noise complaints will be monitored for trends.</p> <p>Our approach will require buildings to be built using sustainable materials, be well insulated and have renewables (such as solar or heat pumps) integrated. All construction will be delivered in line with local guidance to ensure minimal disruption to the local area.</p> <p>Within the Freeport we will use a combination of electric and hydrogen powered vehicles to move cargo between the port and</p>
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		The increase in freight traffic and associated traffic within the Freeport will likely increase local traffic and thus local emissions.	customs sites. There is already and EV charge point at Oceansgate and by 2025, all support vehicles will be low carbon. Charging infrastructure will also be put in place to encourage wider port users (including RORO traffic) to use low carbon fuels. Emissions from commuter transport will be minimised through green transport initiatives, which will include public transport options (including park and ride) as well as walking and cycling, which build on existing infrastructure such as cycle ways.	
Disability	<p>Plymouth</p> <p>10 per cent of the Plymouth population have their day-to-day activities limited a lot by a long-term health problem or disability (2011 Census).</p> <p>The gap in the employment rate between those with long term health conditions and the overall employment rate was 13.7 per cent in Plymouth compared to 10.6 per cent for England.</p> <p>Devon</p>	<p>Noise and disturbance</p> <p>Evidence has shown that people with disabilities and underlying health conditions are more likely to have their physical and mental wellbeing negatively impacted by increased noise. For example, one study found that people living in areas with high levels of traffic noise were 25 per cent more likely than those living in quieter areas to develop depression.</p> <p>Noise and disturbance – Plymouth Port</p> <p>The Freeport will increase the number of ships using the Plymouth Port and it is likely that this will increase noise and disturbance.</p> <p>Noise and disturbance – Increased traffic</p>	<p>Noise and disturbance – Plymouth Port</p> <p>As the port needs to operate at the time that the tide allows, it is not possible to mitigate against this impact given its nature. Although there is the potential for the increase in freight traffic to increase noise and disturbance for local residents, the parts of the Port that will be used are largely away from residential areas. The additional tax/customs sites will be on under-developed land, thus minimising impact</p>	<p>The sites are the optimal choice for the area and offer the best value for money because they:</p> <ul style="list-style-type: none"> Are located in identified growth areas. Are already fully or partially serviced, thus reducing infrastructure costs. Langage also has discounted hot water, high pressure gas and electricity from the adjacent power station and green energy from the adjoining solar park.

	<p>8.6 per cent of people in the Devon County Council area say their day-to-day activities are limited a lot by a long-term health problem or disability (2011 Census).</p> <p>The Gap in the employment rate between those with long term health conditions and the overall employment rate was 7.2 per cent in Devon. The value for England is 10.6 per cent.</p>	<p>The Freeport will increase the amount of traffic on Plymouth roads, especially on roads near to the Freeport and within the Freeport itself.</p> <p>A new road link is planned in response to increased demand - spine roads are going to connect to the A38 to improve connectivity.</p> <p>Noise and disturbance – construction</p> <p>It is likely that the Freeport will result in an increase in noise from both construction and business as usual. Increases in noise have been linked to poorer health outcomes including negatively effecting both mental and physical health. This negative impact is more likely to be felt by people with disabilities, however this is not limited to this cohort</p> <p>Emissions</p> <p>Poor air quality and pollution has negative consequences for health and the local environment. In particular, a high quantity of particulate matter is linked to poorer health outcomes including negatively effecting both mental and physical health. This negative impact is more likely for people with disabilities due to the increased likelihood that they may have an underlying health condition related to their breathing or lungs.</p> <p>Emissions – Plymouth Port</p> <p>The Freeport aims to significantly increase the volume of freight through the Port of Plymouth. Increasing the volume of freight brought in through the Port of Plymouth, rather than more distant UK ports, will reduce national emissions from the transport sector, as well as reducing congestion on trunk roads elsewhere.</p>	<p>to the extent that is possible. South Yard is in close proximity to a local school and the Sherford employment zone is part of the wider Sherford village development.</p> <p>Langage, the largest site where most of the construction is going to take place, is greenfield and is not directly adjacent to residential area.</p> <p>Noise and disturbance – Increased traffic</p> <p>We will consider the possibility to explore noise monitoring and reduction initiatives in the vicinity if required. Any noise complaints will be monitored for trends.</p> <p>Our approach will require buildings to be built using sustainable materials, be well insulated and have renewables (such as solar or heat pumps) integrated.</p> <p>All construction will be delivered in line with local guidance to ensure minimal disruption to the local area.</p> <p>Within the Freeport we will use a combination of electric and hydrogen</p>	<ul style="list-style-type: none"> ▪ Have excellent road connectivity, minimising the need for large-scale transport costs. ▪ Enable us to deliver the Freeport at pace. <p>The employment and skills plan will include engagement with the Department for Work and Pensions and other partners working with people with disabilities to ensure they are able to access the benefits of the Freeport. Engagement will also take place with local voluntary and community sector partners working with people with disabilities to raise awareness of the employment and education offer available.</p>
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		<p>Emissions – Freeport (onsite)</p> <p>The increase in freight traffic and associated traffic within the Freeport will likely increase local traffic and thus local emissions.</p> <p>Accessibility</p> <p>The large majority of buildings within the Freeport will be closed to members of the public, however we recognise that accessibility is still important. Where buildings are older, guidance will be taken from the appropriate colleagues and heritage organisation when appropriate</p>	<p>powered vehicles to move cargo between the port and customs sites. There is already an EV charge point at Oceansgate and by 2025, all support vehicles will be low carbon. Charging infrastructure will also be put in place to encourage wider port users (including RORO traffic) to use low carbon fuels. Emissions from commuter transport will be minimised through green transport initiatives, which will include public transport options (including park and ride) as well as walking and cycling, which build on existing infrastructure such as cycle ways.</p>	
Religion or belief	<p>Plymouth</p> <p>Christianity is the biggest faith in the city with more than 58 per cent of the population (148,917). 32.9 per cent (84,326) of the Plymouth population stated they had no religion (2011 Census).</p> <p>Those who identified as Muslim was just under 1 per cent while Hindu, Buddhist, Jewish or Sikh combined totalled less than 1 per cent (2011 Census).</p> <p>Devon</p>	No adverse impacts are anticipated.	Not applicable	Not applicable

	61.5 per cent of the population identified their religion as Christian making it the biggest faith. 1.6 per cent identified as having another religion including Buddhists, Muslims, Hindus and Jews. 28.5 per cent of people stated that they have no religion or belief.			
Sex - including marriage, pregnancy and maternity	<p>50.2 per cent of the population in Plymouth are women and 49.8 per cent are men. 51.4 per cent of the population in Devon are women and 48.6 per cent are men.</p> <p>The employment rate in Plymouth shows that 83 per cent of working-age males are employed whereas 72 percent of working-age females are employed.</p> <p>The employment rate in Devon shows that 77.9 per cent of working-age males are employed compared to 73.4 per cent of working-age females.</p> <p>The rate for the whole of the UK shows a similar pattern with a higher working-age employment rate for males than females.</p> <p>The proportion of men working in the manufacturing sector in Plymouth is currently</p>	No adverse impacts are anticipated.	<p>The employment and skills plan will include engagement with the Department for Work and Pensions, universities, schools and other partners working with young women and girls to promote STEM career and education pathways.</p> <p>Engagement will also take place with local voluntary and community sector partners working with women and girls to raise awareness of the employment and education offer available and communication materials will be shared.</p>	<p>The Freeport will provide extensive opportunities for females to gain experience in STEM subjects through apprenticeships, internships and jobs. Encouraging female representation in STEM subjects (and employment in high paying jobs) will likely positively impact any gender pay gaps within companies.</p>

	<p>higher than the proportion of women (19.1 per cent, compared to 6.9 per cent).</p> <p>According to recent UCAS data provided by HESA, 35 per cent of STEM students in higher education in the UK are women.</p> <p>The science, technology, engineering and mathematics (STEM) sector is continuing to grow; however, females continue to be underrepresented in STEM at both employment and education level. Nationally, 23 per cent of the people working in science, technology, engineering and mathematics roles in the UK were female, while only 15.8 per cent of the current generation of engineering and technology graduates were female (PWC Women in Technology 2017).</p>			
Gender reassignment	<p>There are no official estimates for gender reassignment. However, the Gender Identity Research and Education Service (GIRES) estimate around 1 per cent of the population has some form of gender variance and about 0.2 per cent may undergo gender reassignment.</p>	No adverse impacts are anticipated.	Not applicable.	Not applicable
Race	Plymouth	No adverse impacts are anticipated.	The employment and skills plan will include	The Freeport Gateway Policy requires a commitment to our

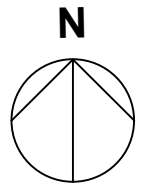
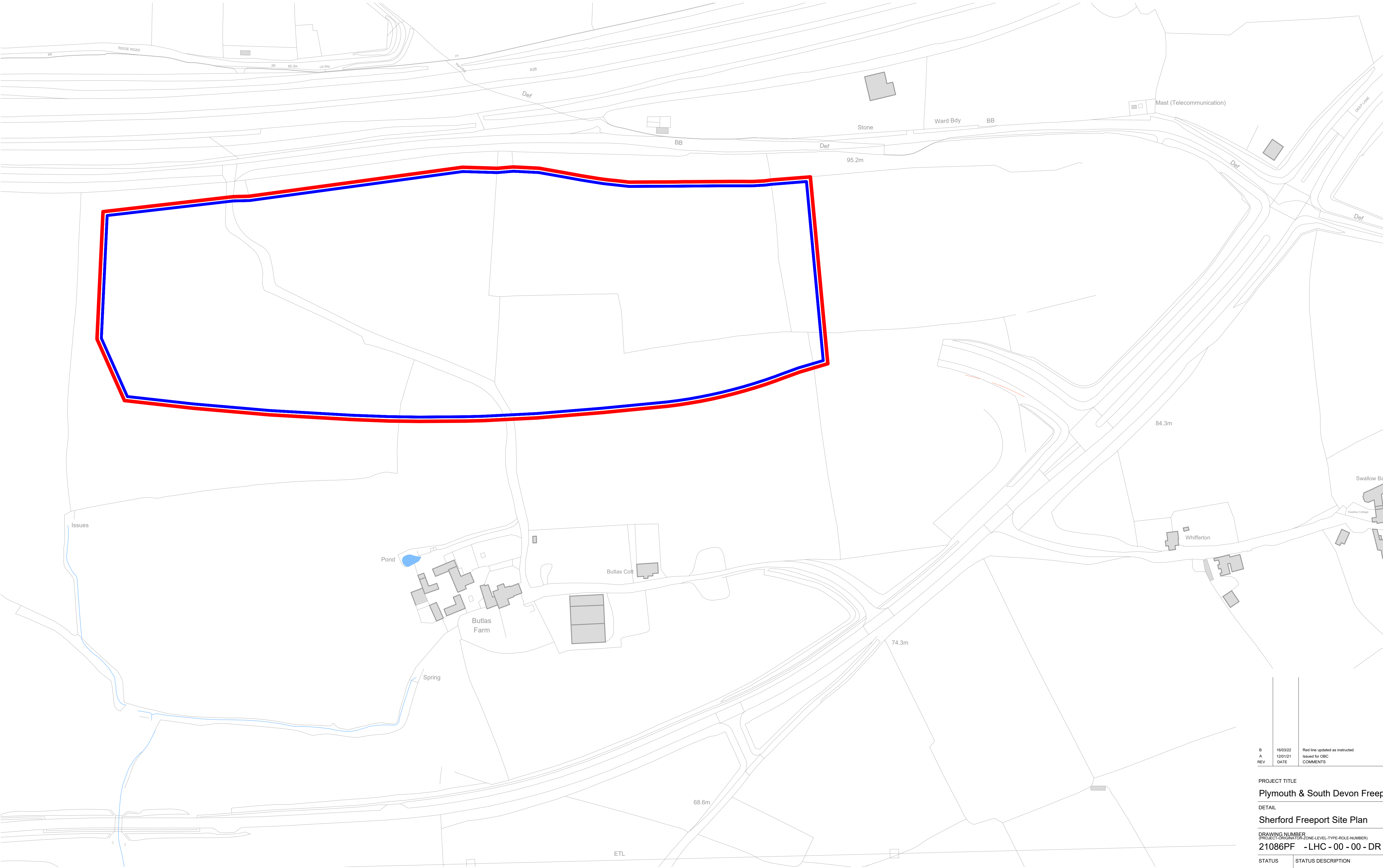
	<p>92.9 per cent of Plymouth's population identify as White British. 7.1 per cent identify as Black, Asian or Minority Ethnic (BAME).</p> <p>The employment rate of working-age people who identify as being from an ethnic minority background in Plymouth is 73.3 per cent. This is higher than the rate for the whole of the UK at 66.8 per cent.</p> <p>Devon</p> <p>94.9 per cent of Devon's population identify as White British. 2.5 per cent identify as White Other and 2.6 per cent identify as Black, Asian, or another minority ethnic group.</p> <p>The employment rate of working-age people who identify as being from an ethnic minority background in Devon is 80.6 per cent.</p>		<p>engagement with the Department for Work and Pensions, universities, schools and other partners working with people from Black, Asian and minority ethnic backgrounds to promote career and education pathways.</p> <p>Engagement will also take place with local voluntary and community sector partners working with this cohort and in particular refugees and asylum seekers to raise awareness of the employment and education offer available.</p> <p>Key information within the Freeport will be available in different languages, recognising the diversity of people using and passing through the Freeport.</p> <p>Staff employed by the Freeport will be trained in cultural awareness and cultural accessibility.</p>	Freeport vision which encompasses a commit to promote good employment practices.
Sexual orientation - including civil partnership	There are no official estimates for sexual orientation at a local level.	No adverse impacts are anticipated.	Not applicable	Not applicable

SOCIO AND ECONOMIC IMPACTS

	Evidence and information	Any negative impact	Actions (including timescale and lead)	Positive impacts
Deprivation	<p>Plymouth remains within the 20 per cent most deprived local authority districts in England on the Index of Multiple Deprivation (IMD) with:</p> <ul style="list-style-type: none"> ▪ 28 Lower Super Output Areas (LSOAs) in the most deprived 10 per cent in England ▪ Three LSOAs within the most deprived 3 per cent in England; and, ▪ Two LSOAs within the most deprived 1 per cent in England. <p>Plymouth's most deprived LSOAs (which are amongst the most 1 per cent deprived in England) are located in the wards of St Peter and the Waterfront and Devonport. These areas represent some of the city's most entrenched pockets of deprivation and have consistently been amongst the most deprived neighbourhoods in England since 2007.</p> <p>Dartmouth Townstall area is the one area within South Hams that is included in the</p>	<p>Due to the skills gap in Plymouth, which is more evident in deprived areas, there is a risk that people from deprived areas may not feel the benefits of the Freeport due to a lack of education and opportunity.</p>	<p>An employment and skills plan will help to ensure that people from protected and disadvantaged groups are able to access all opportunities within the Freeport. This will include a targeted skills/jobs brokerage programme to link people from deprived communities with opportunities. The Marine Skills Academy will assist with the development of apprenticeship and internship opportunities through and during construction phases. A local job club will be developed in the vicinity of South Yard in partnership with local communities to ensure that local residents have access to new skills and employment opportunities. Communications and engagement plans will be developed to raise awareness of these initiatives.</p>	<p>We are keen to ensure that people from Plymouth's most deprived areas benefit from the Freeport. Businesses will be encouraged to sign up via the gateway criteria to initiatives which enhance social mobility.</p> <p>Devonport, the location of the Freeport has one of the lowest cohesion scores in the city. There is strong evidence which shows that reducing deprivation through employment and education can improve cohesion. It is thus likely that the Freeport will indirectly improve the cohesion score in Devonport and in doing so, contribute towards meeting one of Plymouth City Councils equality objectives - Plymouth is a city where people from different backgrounds get along well.</p>

	most deprived 20 per cent of areas nationally for overall deprivation. In addition, within South Hams South Brent is within the most deprived 20 per cent of areas nationally for income deprivation affecting children.			
Employment	<p>Gross weekly pay for full-time workers in Plymouth for 2021 stood at £542.4. This is lower than both the gross weekly pay for Great Britain (£612.8) and the South West (£572.5) (NOMIS, 2021).</p> <p>Gross weekly full-time pay for Devon (as a whole) was £566.9. This is lower than both the gross weekly pay for Great Britain (£613.1) and the South West (£577.3) (NOMIS, 2021).</p> <p>Unemployment in Plymouth has been higher than the national average for the last five years (Annual Population Survey) and in Devonport adjacent to the South yard tax site it is double the City average.</p> <p>Claimant numbers remain higher than pre pandemic across the Freeport Area. The employment prospects of both younger and older people in our area have been negatively impacted by the pandemic. The Universal Credit claimant</p>	<p>Workers' rights Although there are concerns for workers' rights within the Freeport, there are no differences between employment rights between those employed within the Freeport and those outside of it. There is one exception as employers within the Freeport are given a national insurance holiday for three years employed within the Freeport. We have regularly engaged with trade union representatives.</p> <p>Displacement There is little risk within the city from economic displacement and this includes movement from wealthier areas to more deprived areas and from business moving into the Freeport from outside of its boundaries. This is because there are few benefits for businesses moving into the Freeport from outside the Freeport boundary area.</p>	<p>Employment and skills An employment and skills plan will help to ensure that people from protected and disadvantaged groups are able to access all opportunities within the Freeport. This will include a targeted skills/jobs brokerage programme to link people from deprived communities with opportunities. The Marine Academy will assist with the development of apprenticeship and internship opportunities through and during construction phases.</p> <p>Displacement To mitigate any potential negative impacts the Freeport gateway criteria has a clear policy on moving into the Freeport if not in local area (including wider geography and outer boundary). For example, the Freeport gateway criteria means that businesses cannot relocate to the</p>	<p>Employment and skills The Freeport will increase the number of high-quality well-paid jobs in the city and will provide numerous skills development opportunities.</p>

	<p>count rose by 81 per cent for under 25s and 92 per cent for over 50s from March 2020 to April 2021.</p> <p>In the South Hams the rise was 204 per cent for under 25s and 152 per cent for over 50s in the same period.</p> <p>As the economy begins to recover many will return to work or find new jobs but will face longer term challenges.</p>		<p>Freeport purely to get tax/tariff exemptions.</p> <p>We will further mitigate any potential displacement by putting in place a gateway policy at all our tax sites. Businesses that express interest in the Freeport will need to demonstrate their compliance with the gateway policy.</p>	
Local Services	<p>Plymouth City Council, South Hams District Council and Devon County Council deliver a range of services to local people.</p>	<p>It is not possible to indicate potential impacts on local services until the modelling is complete.</p> <p>It is not anticipated that the Freeport will negatively affect housing availability and it is unlikely that the Freeport will increase demand for local housing. However, the Joint Local Plan identifies housing need until 2030 and based on the assumption of the sites which are being included in the Freeport being developed as employment spaces.</p> <p>Dependent on the numbers of people relocating to Plymouth there may be increased demand for local services such as dentists, primary care services and housing.</p>	<p>The Plymouth Plan topic paper 'Housing need and supply' sets out the strategy for housing provision in the city. The plan works towards supporting the ambitions within the Plymouth Plan of a 'growing city'. The Freeport is one component of the plan to grow the city and its economies.</p>	<p>The Freeport will help to accelerate the Sherford housing development, further enhancing the availability of good quality private housing stock.</p>



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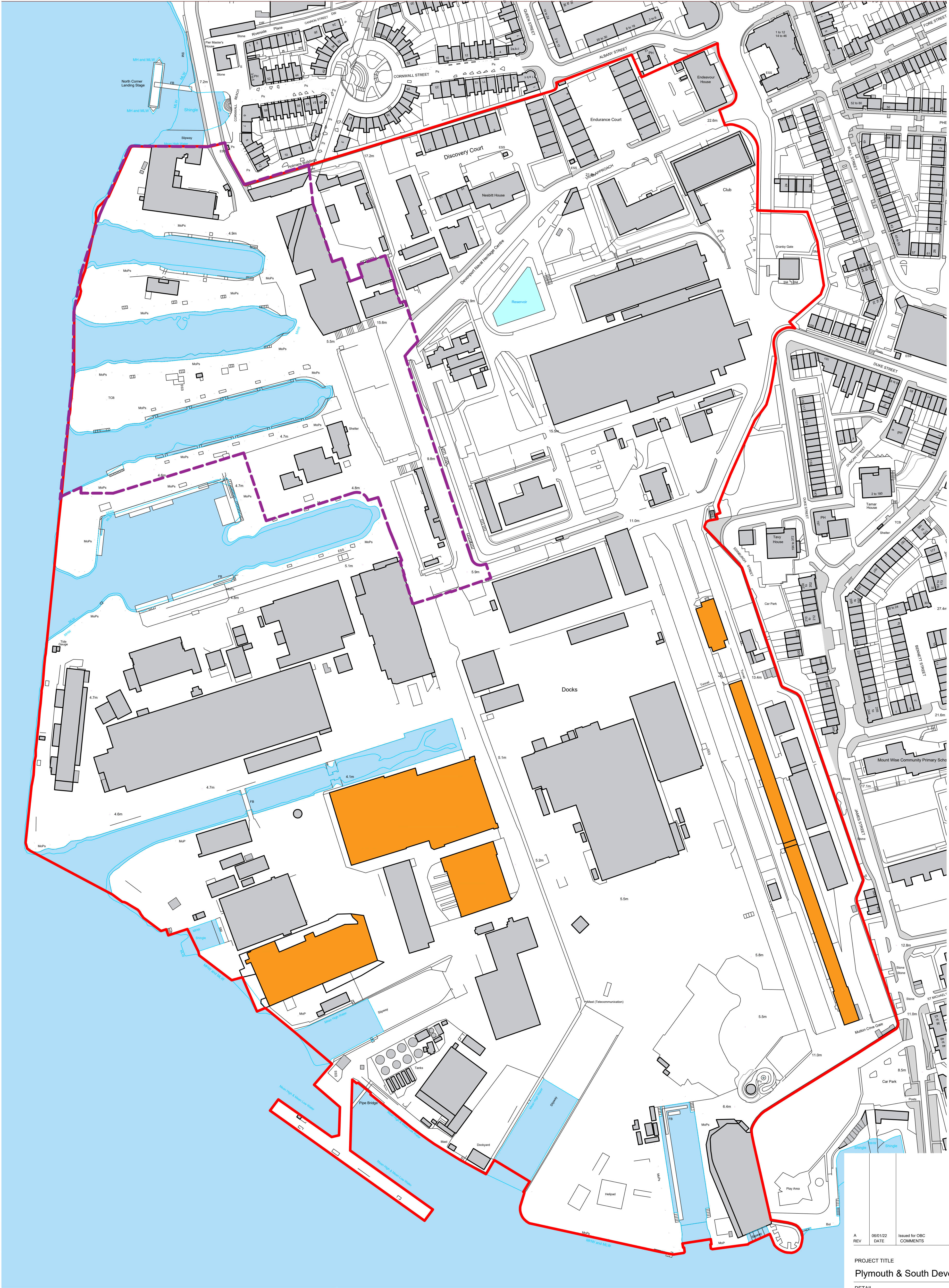
Customs Site Boundary

Tax Site Boundary

*Note : - Where the Customs site and Tax site/Freeport boundaries coincide, the Customs Site boundary has been drawn inside the Freeport boundary site for clarity on the Drawings. The Actual Customs Site will extend to the Tax Site/Freeport boundary line

B A REV	18/03/22 12/01/21 DATE	Red line updated as instructed Issued for OBC COMMENTS	CC/ GD MO/ GD AUTHOR / CHECKED
PROJECT TITLE			
Plymouth & South Devon Freeport			
DETAIL			
Sherford Freeport Site Plan			
DRAWING NUMBER (PROJECT ORIGINATOR.ZONE.LEVEL.TYPE.ROLE.NUMBER)			
21086PF -LHC - 00 - 00 - DR - AR - 0102			
STATUS		STATUS DESCRIPTION	
S2			
REVISION	DATE	SCALE	
B	08/10/21	1:1250 @A1	
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Tax Site Boundary

Service Re-Provision

Vacant Buildings

***Note:**

1. Service Re-Provision is a behind-the-wire proposal that facilitates pipeline projects by the private sector

A

REV

06/01/22

DATE

Issued for OMC

COMMENTS

MOJOD

AUTHOR / CHECKED

PROJECT TITLE

Plymouth & South Devon Freeport

DETAIL

South Yard Freeport Existing Site Plan

DRAWING NUMBER

(PROJECT-ORIGINATOR.ZONE-LEVEL-TYPE-ROLE-NUMBER)

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STATUS

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STATUS DESCRIPTION

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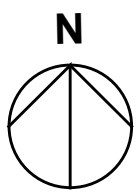
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Cabinet



Date of meeting: 22 March 2022

Title of Report: **Skills 4 Plymouth Strategic Plan**

Lead Member: Councillor David Downie (Cabinet Member for Education, Skills, Children and Young People)

Lead Strategic Director: Alison Botham (Director for Childrens Services)

Author: Tina Brinkworth

Contact Email: Tina.brinkworth@plymouth.gov.uk

Your Reference:

Key Decision: Yes

Confidentiality: Part I - Official

Purpose of Report

This paper seeks to gain approval to formally implement Skills 4 Plymouth as a strategic skills plan. We recognise that the Covid-19 pandemic and Brexit has fundamentally changed the skills landscape, with many local employers struggling to attract, recruit and retain people with the right skills. Skills gaps (in the current workforce) and skills shortages (difficulties in recruiting) are evident across all sectors. As a city, we do not have enough engineers, technicians, construction workers, health, social care, hospitality, tourism or retail professionals, to meet the demand of our local businesses. Employers report recruiting difficulties in these areas as a key constraint and redressing this is critical to improving productivity, competitiveness and growth.

In response we seek your approval to launch the city's first Skills 4 Plymouth strategic plan. The 5 year strategic plan is designed to make sure people have the right skills now and in the future to get a job and progress in work, and employers have people with the right skills they need for recovery and growth. It recognises that employers must be put at the heart of defining local skills needs.

The plan has been circulated widely under the Employment and Skills Board, including the Skills 4 Plymouth Summit held in November 2021. The consultation process, along with wider stakeholder engagement, has greatly shaped the skills priorities going forward, with oversight and strategic direction of the detailed plans proposed under the leadership of the Employment and Skills Board.

The short-term skills recovery actions have been developed and delivered under the Resurgam programme, established during the Covid-19 pandemic to enable the city to recovery and build back better. The medium to long-term skills actions align to Plymouth's Local Economic Strategy for 2020 to 2025.

Recommendations and Reasons

Cabinet is asked to

1. Approve the Skills 4 Plymouth strategic plan
2. Delegate oversight, strategic direction and delivery of the Skills 4 Plymouth strategic plan and action plan to the Employment and Skills Board

Reasons

Note that strategic plan will be supported by an action plan.

Alternative options considered and rejected

I. Do nothing

The above option is the only alternative option available and has been rejected. Without a localised skills plan in place we will be reliant on the regional skills plan (across the Heart of the South West Local Enterprise Partnership area) to address our needs. While we work closely with regional colleagues, we are the largest city on the South Coast, with a different businesses profile and skills needs. A localised skills plan will enable us to address long outstanding skills issues and best position Plymouth as a city to access the full range of skills funding.

Relevance to the Corporate Plan and/or the Plymouth Plan

Skills for Plymouth has been designed to support and align with both the Corporate Plan and Plymouth Plan:

- Corporate Plan (2021 – 2025) – it helps delivers the ‘Unlocking the City’s Potential’ priority by contributing towards ‘a vibrant economy, developing quality jobs and skills’.
- Plymouth Plan (2014 – 2034) - it contributes to a number of key policies, particularly a ‘Growing City’, specifically GRO1 ‘Creating the conditions for economic growth’ and GRO2 ‘Delivering skills and talent development’

Implications for the Medium Term Financial Plan and Resource Implications:

- No direct financial implications, but may provide opportunity to access funding to support interventions / initiatives.
- No direct implication on resources as this work will be subsumed into the Employment and Skills Board (sub group).

Financial Risks

There are no financial implications to Plymouth City Council.

Carbon Footprint (Environmental) Implications:

None identified

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council’s duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

Risk Register:				
Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	Ineffective governance of Employment & Skills Board	Low	Medium	Medium

Mitigation	Report as a subgroup into the Employment and Skills Board to ensure alignment to Plymouth's strategic plans, including the Local Economic Strategy and the regional skills plan through the Skills Advisory Panel.	Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£ N/A	Risk Owner	Tina Brinkworth	

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Briefing report title							
B	Skills Plan							
C	Equalities Impact Assessment							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	djn.21 .22.29 9	Leg	LS/38 226/A C/10/ 3/22	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Ming Zhang / Tina Brinkworth											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 03/03/2022											

Cabinet Member approval: Councillor David Downie (Cabinet Member for Education, Skills, Children and Young People)

Date approved: 03/03/2022

SKILLS 4 PLYMOUTH

Strategic Skills Plan

Education, Participation & Skills



Briefing Note:

This paper seeks to gain approval to formally implement Skills 4 Plymouth as a strategic skills plan. We recognise that the Covid-19 pandemic and Brexit has fundamentally changed the skills landscape, with many local employers struggling to attract, recruit and retain people with the right skills. Skills gaps (in the current workforce) and skills shortages (difficulties in recruiting) are evident across all sectors. As a city, we do not have enough engineers, technicians, construction workers, health, social care, hospitality, tourism or retail professionals, to meet the demand of our local businesses. Employers report recruiting difficulties in these areas as a key constraint and redressing this is critical to improving productivity, competitiveness and growth. During November 2021, there was over 2,700 job postings, the largest number advertised since August 2015 and there are a projected 8,000 new jobs projected in the city as a result of investment (construction programmes, National Marine Park, Free Port status etc.) which will further compound the problems.

In response we seek your approval to launch the city's first Skills 4 Plymouth strategic plan. The 5 year strategic plan is designed to make sure people have the right skills now and in the future to get a job and progress in work, and employers have people with the right skills they need for recovery and growth.

Skills 4 Plymouth is an ambitious transformation programme that has been co-designed with local employers and businesses, skills providers and wider stakeholders.

It is designed to make sure:

- People have the right skills they need now and in the future to get a job
- Employers and individuals invest in skills and lifelong learning
- Employers have people with the right skills they need for recovery and growth

It recognises that employers must be put at the heart of defining local skills needs.

The plan has been circulated widely under the Employment and Skills Board, including the Skills 4 Plymouth Summit held in November 2021. The consultation process, along with wider stakeholder engagement, has greatly shaped the skills priorities going forward, with proposed oversight and strategic direction of the detailed plans under the leadership of the Employment and Skills Board.

The short-term skills recovery actions have been developed and delivered under the Resurgam programme, established during the Covid-19 pandemic to enable the city to recovery and build back better. The medium to long-term skills actions align to Plymouth's Local Economic Strategy for 2020 to 2025.

Key points for consideration

1. There is no direct financial impact on PCC, but there are numerous non-financial benefits which support people to enter into and progress in work. This enables them to become financially independent. It also supports businesses to ensure they have people with the right skills they need for recovery and growth.

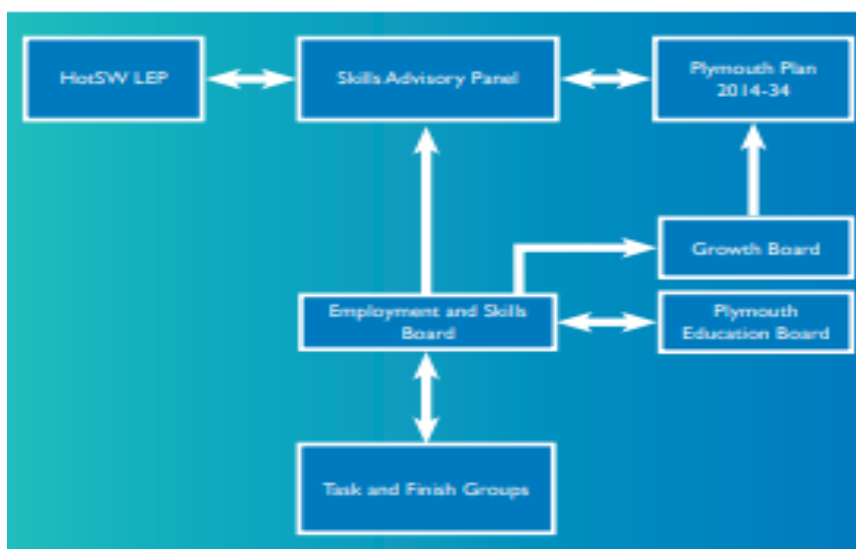
2. Propose the approval of the Skills 4 Plymouth strategic plan
3. Note that this strategic plan will be supported by an action plan.
4. Delegate oversight, strategic direction and delivery of the Skills 4 Plymouth strategic plan and action plan to the Employment and Skills Board.

Governance

It is proposed that the current and future skills priorities will be identified and assessed by the Plymouth Employment and Skills Board (ESB). The ESB will report into the Growth Board (locally) and into Skills Advisory Panel (SAP) - Heart of the South West (HotSW) Local Enterprise Partnership (LEP) (regionally).

The strategic plan will be underpinned by an action plan. Oversight and strategic direction of the plans will be provided by the ESB, which includes representation from the local authority, local employers and sector networks, Federation of Small Businesses, Plymouth and Devon Chamber of Commerce, Department for Work and Pensions, Devon and Cornwall Training Provider Network, adult, further and higher education, Plymouth Education Board and other third party stakeholders.

Where appropriate Task and Finish groups will be established to deliver the agreed strategic priorities, these sub-groups will report into the ESB. Delivery of the Skills 4 Plymouth plan will rely on partners working together effectively to drive a responsive, single skills system to realise the potential for the city.



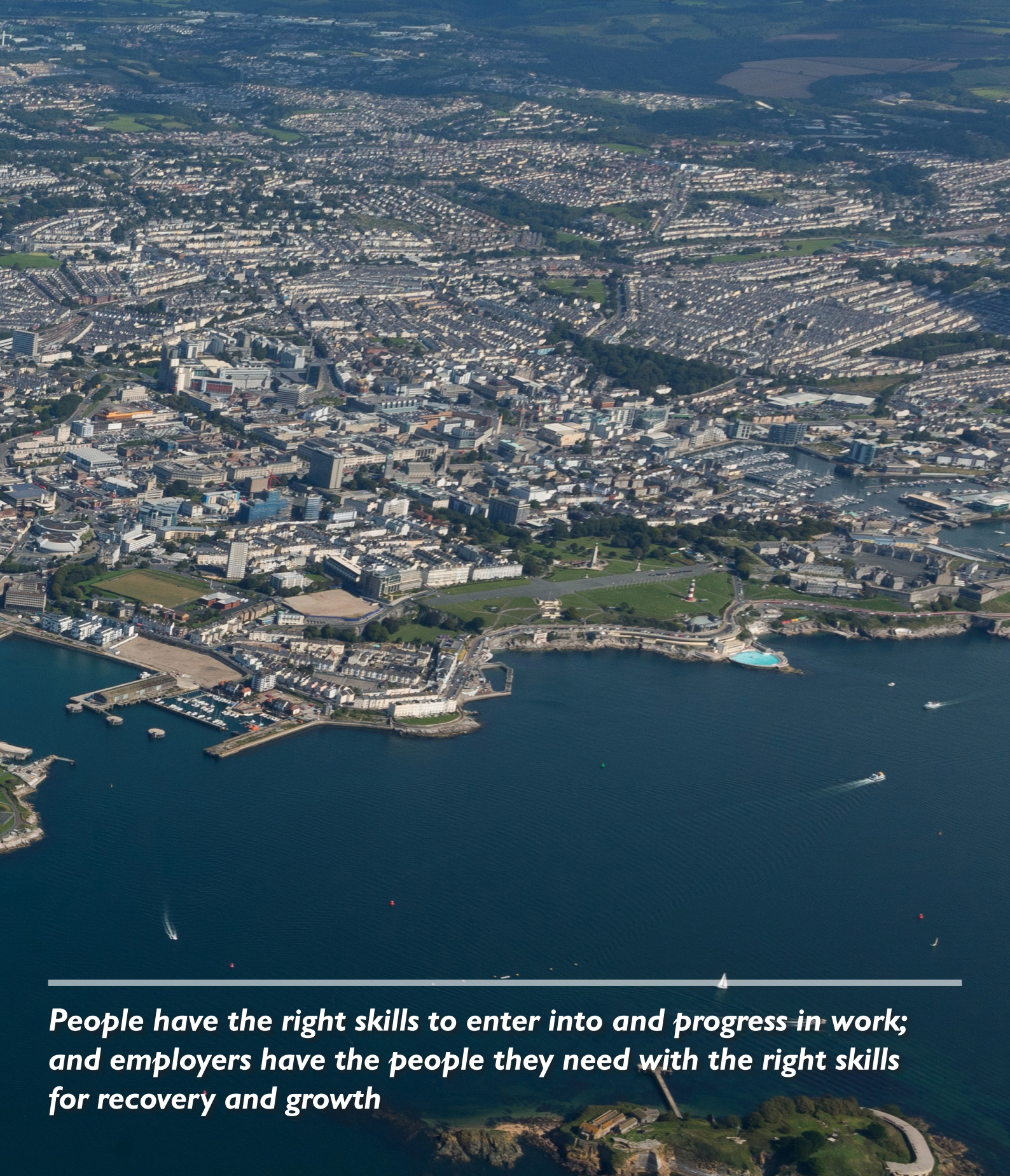
Key Outcomes:

Underpinned by key performance indicators and a dashboard the key outcomes for Skills 4 Plymouth are:

- **Outcome 1** – across growth sectors there is higher productivity more advances in innovation and fewer skills shortages
- **Outcome 2** – higher percentage of working age population employed and higher percentage of highly skilled jobs
- **Outcome 3** – employers are investing significantly more in their workforce (lifelong learning with improved employer attrition rates)
- **Outcome 4** – increased engagements of young people, higher percentage of young people have raised aspirations, good attainment levels in English, Maths and STEM subjects and improved levels of work readiness
- **Outcome 5** – an inclusive, diverse economy, which creates opportunities for all

SKILLS 4 PLYMOUTH

PLYMOUTH SKILLS PLAN 2021-2026



*People have the right skills to enter into and progress in work;
and employers have the people they need with the right skills
for recovery and growth*

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The Plymouth Plan is a ground-breaking plan which looks ahead to 2034. It sets a shared direction of travel for the long-term future of the city bringing together a number of strategic planning processes into one place. It talks about the future of the city's economy; it plans for the city's transport and housing needs. It looks at how the city can improve the lives of children and young people and address the issues which lead to child poverty. It sets out the aspiration to be a healthy and prosperous city with a rich arts and cultural environment. It sets out the city's spatial strategy, incorporating the Plymouth-specific elements of the Plymouth and South West Devon Joint Local Plan.

The plan outlines the vision for Plymouth and how this will be implemented around three strategic themes:

- ◆ Healthy city
- ◆ Growing city
- ◆ International city

Each theme has a strategic outcome and objectives, underpinned by individual policies to achieve them. Skills 4 Plymouth aligns with a number of these, but is most directly connected with: Policy GRO1 'Creating the conditions for economic growth' (through its support for business start-ups, entrepreneurship, innovation and social enterprise) and Policy GRO2 'Delivering skills and talent development' (through its support for lifelong learning). It helps to create the conditions for people and communities to thrive.

There are two further strategic themes running through the plan; a Welcoming city and a Green city.

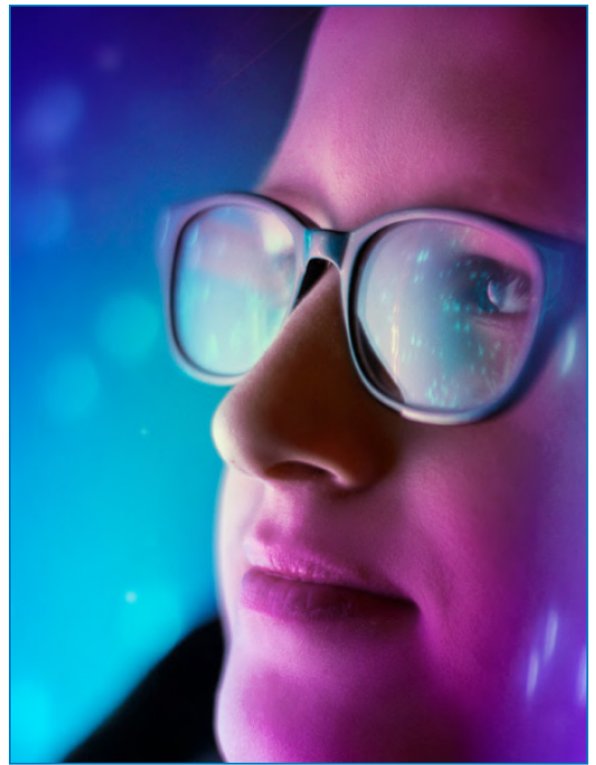


2 A bright future

Working in partnership, we want to make sure all children and young people in Plymouth have a Bright Future, supported by a system, which works seamlessly to spot difficulties early, responds quickly and effectively, and makes sure help is there as long as it is needed.

Everyone has their part to play in achieving this, whether they work directly with children and young people or not. We recognise the central role parents and carers have in determining the best outcomes for their children and that supporting parents and carers alongside children and young people will be key in determining our success.

We will continue to work together with key partners to address our shared priorities so that our children and young people can stay healthy and happy; be safe and aspire and achieve, making our vision for a Bright Future for all children and young people in Plymouth a reality.



3 Skills 4 Plymouth

Plymouth is home to a thriving and established advanced manufacturing, marine, and defence industry, and to a young and fast-growing digital and creative sector. It is a place with enormous potential in its distinctive natural and cultural assets, its businesses, and its people. Brexit and the pandemic has had a direct impact on other key sectors, such as health and social care and hospitality, tourism and retail. The city has seen significant regeneration and the benefits are beginning to show, and will enable our businesses and people to thrive in a changing, data-driven economy that ensures economic benefits are felt by everyone and supports the city's carbon neutrality (by 2030). This will be achieved with ongoing investment through the City's largest construction programme (in 25 years), sector growth and major initiatives such as the National Marine Park and Freeport that will generate up to 8,000 new jobs in the decade up to 2030.

With a population of 263,100, a real economic output of £5.23 billion and 104,000 FTE (Full-Time Equivalent) jobs, Plymouth is the most significant urban agglomeration on the South West peninsula. However, the Covid-19 pandemic has had a negative impact on the city's labour market, exacerbating long-standing and emerging unemployment issues particularly affecting people aged under 25 and over 50 years old. In addition, we are seeing an increase in claimants, now on health journeys.

Skills 4 Plymouth is an ambitious transformation programme that has been co-designed with local employers and businesses, skills providers and wider stakeholders. It is designed to make sure:

- ◆ People have the right skills they need now and in the future to get a job
- ◆ Employers and individuals invest in skills and lifelong learning
- ◆ Employers have people with the right skills they need for recovery and growth

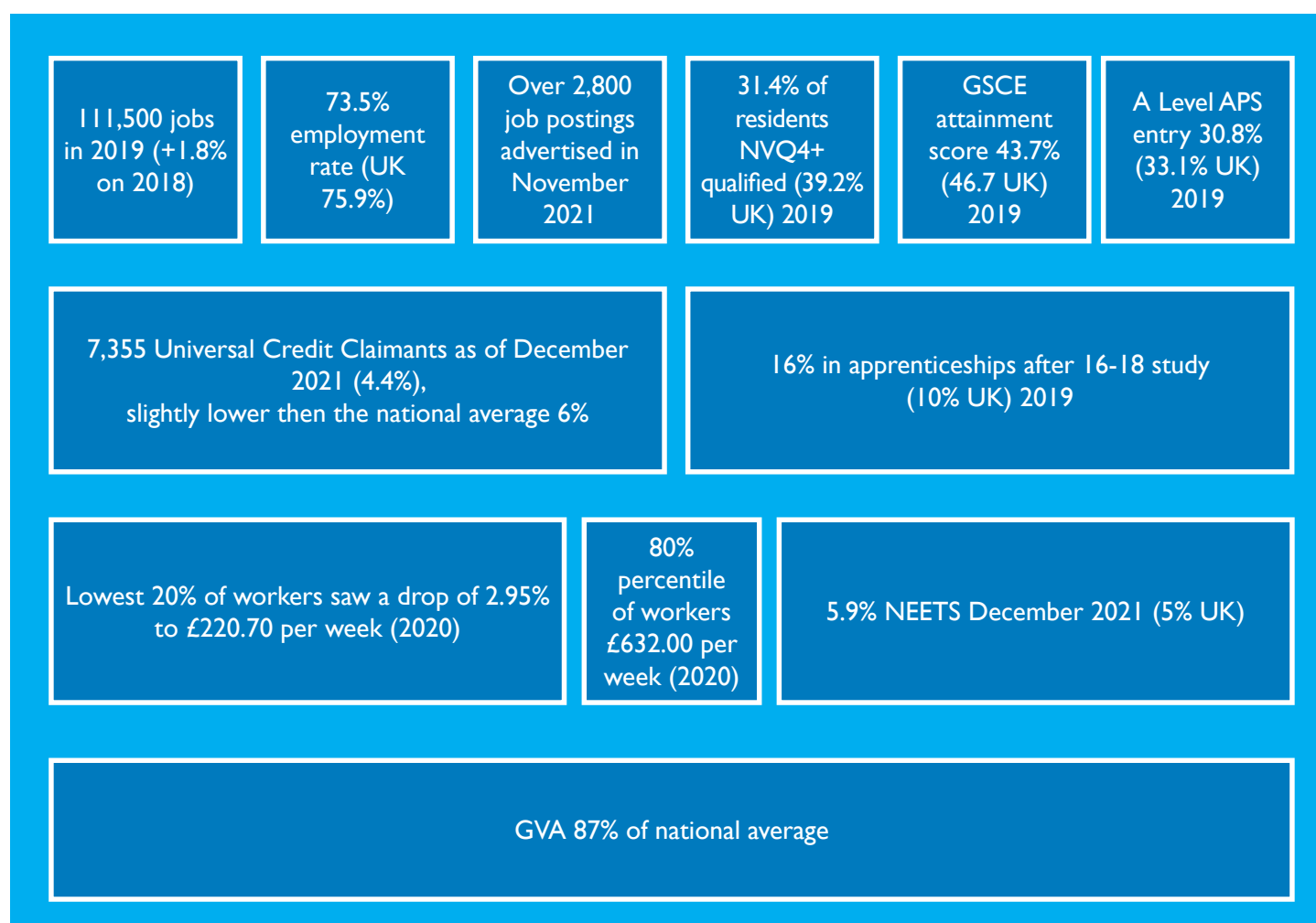
Short-term skills recovery actions have been developed and delivered under the Resurgam programme, established during the Covid-19 pandemic to enable the city to recovery and build back better. Medium to long-term skills actions align to Plymouth's Local Economic Strategy for 2020 to 2025.

The key aim for the Skills 4 Plymouth strategy is to close the skills gaps (in the current workforce) and skills shortages (difficulties in recruitment) that have been holding Plymouth back economically. As a city, we do not have enough engineers, technicians, construction professionals, tradespeople, health care professionals, social care workers, or hospitality and tourism workers, to meet the growing demand of our local businesses and key sectors. Employers report recruiting difficulties in these areas as a key constraint and redressing this is critical to improving productivity, competitiveness and growth. We also recognise that social enterprises are a vital partner in the city's economy, they address social need, strengthen communities and create a fairer, more inclusive economy. The Skills 4 Plymouth 5 year plan must be demand led and demand informed by real time labour market intelligence. Employers must be put at the heart of defining local skills needs and at the heart of developing post 16 skills provision to ensure that technical education and training aligns to what employers want and need.

The Covid-19 pandemic and Brexit has fundamentally changed the skills landscape, with many local employers struggling to attract, recruit and retain people with the right skills. Skills gaps and skills shortages are evident across all sectors. The Skills 4 Plymouth strategy will respond to how our city currently performs, where we have strengths and where we have challenges to address:

- ◆ Significant volume of job vacancies, with a further 8,000 new jobs forecast over the next decade'
- ◆ Strong growth sectors and strong demand for high level skills, particularly in health and care, marine, defence, manufacturing and engineering, construction and the built environment
- ◆ High number and take-up of apprenticeships in the city
- ◆ Increasingly digitally enabled employment that will continue to shape the labour market in the city
- ◆ Significant skills gaps and shortages, particularly in Science, Technology, Engineering and Maths (STEM) sectors, with declining interest and take-up at Key Stage 4 in the education system
- ◆ Education pipeline is under performing with educational achievement below average in both primary and secondary schools
- ◆ Significantly fewer young people in the city go on to study at a higher level
- ◆ High levels number of highly skilled vacancies in the city
- ◆ The proportion of 16-17 year olds who are Not in Education, Employment or Training (NEET) is higher than average
- ◆ Attainment and engagement in education amongst our disadvantaged children including those with SEND and care leavers is below average
- ◆ High number of adults without a level 2 qualification
- ◆ Increased number of people in work seeking welfare support
- ◆ An ageing population and workforce, with early retirement compounding the issues

5 What we know

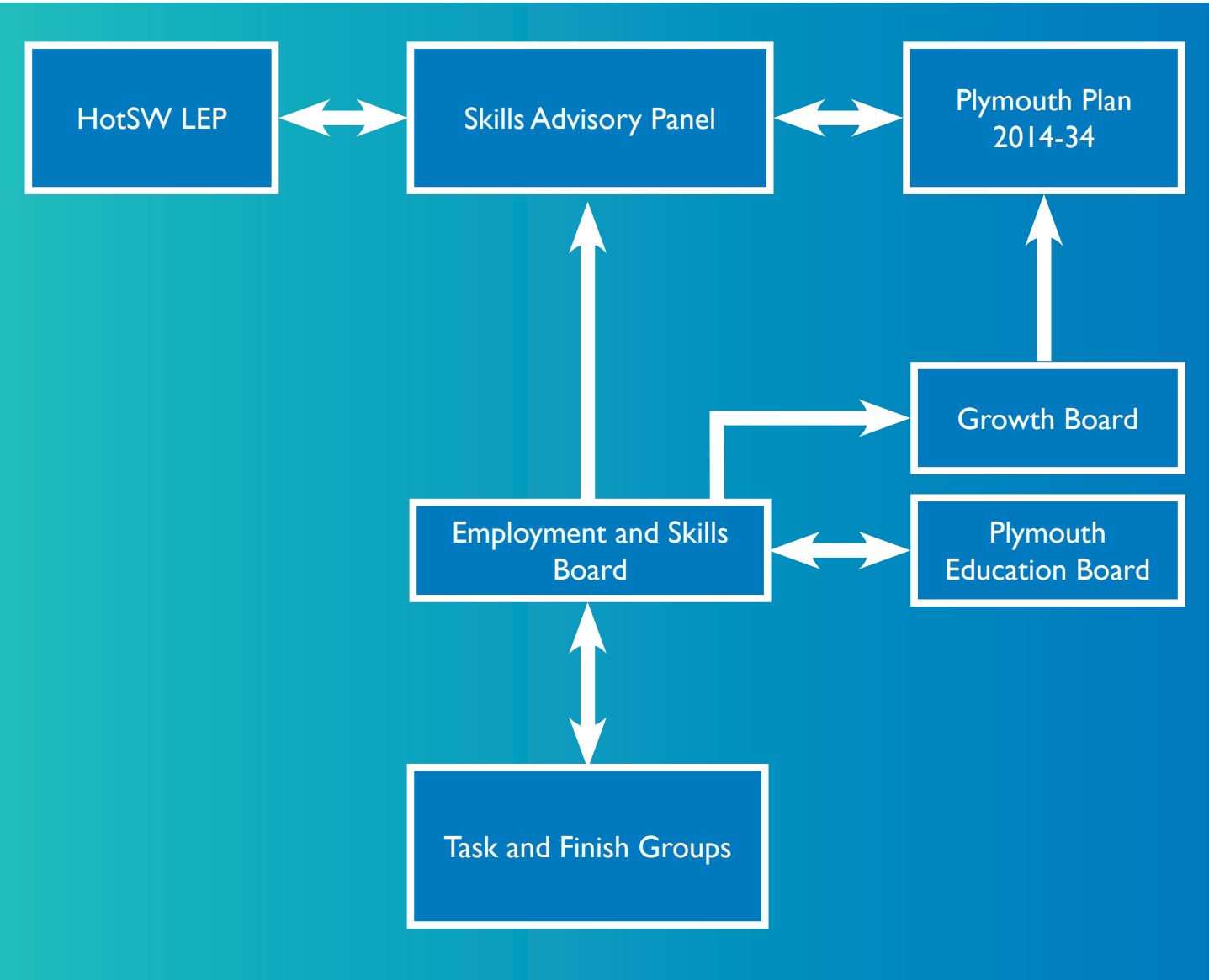


6 How this will work

Current and future skills priorities will be identified and assessed by the Plymouth Employment and Skills Board (ESB). The ESB will report into the Growth Board (locally) and into Skills Advisory Panel (SAP) - Heart of the South West (HotSW) Local Enterprise Partnership (LEP) (regionally).

Detailed delivery plans for each of the priority areas will be developed.

Oversight and strategic direction of the detailed plans will be provided by the ESB, which includes representation from the local authority, local employers and sector networks, Federation of Small Businesses, Plymouth and Devon Chamber of Commerce, Department for Work and Pensions, Devon and Cornwall Training Provider Network, adult, further and higher education, Plymouth Education Board and other third party stakeholders. Where appropriate Task and Finish groups will be established to deliver the agreed strategic priorities, these sub-groups will report into the ESB. Delivery of the Skills 4 Plymouth plan will rely on partners working together effectively to drive a responsive, single skills system to realise the potential for the city.



The city’s Skills Vision will deliver a responsive, single skills system that meets the demands of employers, increases the number of highly skilled jobs and improves educational performance:

- ◆ Where residents and workers access skills, jobs and support (on their doorstep) to thrive in Plymouth
- ◆ That works for all groups of people, across all communities, where every individual can access the training or learning they need to enter into and progress in a productive job they value, supporting inclusive growth and prosperity
- ◆ Where employers can secure growth and increased productivity through access and support to a more diverse, better skilled and retained workforce
- ◆ Where educators and training providers become more responsive through access to information about the labour market and local needs to improve the quality and relevance of the education and training they offer and inspire all stages of education
- ◆ Where children and young people aspire and achieve
- ◆ Which is simplified, responsive, single skills system that shares best practice and innovation, providing a clear plan and measured outcomes and progress
- ◆ Which attracts a fair share of skills funding investment

Skills Vision:

An outstanding skills system, which drives high aspirations and attainment while meeting the needs of employers and individuals across all ages and across all communities

Skills framework and interventions

DEMAND

Business need
Sectoral partnership focus

SUPPLY

Working age population
Skills and training provision including adult, further and higher education

PIPELINE

Those in education or training
Those not in employment, education or training (NEET)

The Skills 4 Plymouth strategy will create a framework to coordinate the actions of employers and sectors, educators, training providers and other stakeholders to improve skills and to close the evident skills gaps and skills shortages. Working together in partnership we will deliver the following priorities:

Demand (Business need)	Supply (Working population)	Education (Future pipeline)
<ul style="list-style-type: none"> ◆ Identify jobs and skills for 10 year+ view ◆ Where possible identify demand for next 20 years+ view ◆ Support the city's Green Skills action plan with current and emerging demand ◆ Forward plan to develop new curriculum content, specialist school provision, inform new apprenticeship standards to meet future demand etc ◆ Grow new entrant opportunities in future demand areas and develop an effective model for work experience, volunteering, traineeships, apprenticeships including degree level apprenticeships, T-Levels placements and graduate opportunities co-designed with employers/ across sectors ◆ Embed careers, enterprise and employability skills into education model and wider community ◆ Develop an Employer Hub as part of Skills Launchpad Plymouth including a specific focus on aiding inclusive recruitment and employment, and ensuring support for small to medium sized companies to better navigate the skills and employment landscape ◆ Further develop Building Plymouth as the 'blue-print' for sectoral skills partnerships to meet the skills demand for the construction and built environment sector ◆ Launch a Health and Care sectoral skills partnership ◆ Set up sectoral skills partnerships for growth sectors including marine and maritime, manufacturing, and hospitality and tourism ◆ Build business cases and secure funding for city wide Skills Academies to address the skills gaps and skills shortages in growth sectors including Health and Care, Marine and Maritime, and Construction and the Built Environment ◆ Attract and recruit skilled people nationally and internationally ◆ Support employers with strategic workforce planning and succession planning ◆ Encourage clustering of SME businesses to increase skills, enable career progression and increase average wages ◆ Promote Plymouth's position as one of the best places to start and grow a business, increase entrepreneurial skills and raise the profile of social enterprises with Plymouth's business community 	<ul style="list-style-type: none"> ◆ Identify growth jobs and skills required for the next 18 months/ 2 years, both for new entrants and the needs for upskilling/ retraining of the existing workforce ◆ Effectively promote the real-time Labour Market Intelligence to those in work and those not in work, engage positively with key influencers to ensure local people are informed of opportunities for progression and/ or retraining ◆ Ensure sustainability for delivery of Skills Launchpad Plymouth (both virtual and physical services), maintain working in city-wide partnership to connect the people of Plymouth with opportunities for skills, training, education, careers and jobs ◆ Maintain the Skills Launchpad Plymouth's dedicated Youth Hub supporting those 16-24 years including those with additional support needs and a priority focus on targeting young people not in education, employment or training ◆ Maintain the Skills Launchpad Plymouth's dedicated Adult Hub supporting those 25 years+ facing redundancy, job seeking, retraining/upskilling or changing careers, matching adults with real opportunities ◆ Expand the Skills Launchpad Plymouth's community outreach programme to engage and support more disadvantaged individuals ◆ Coordinate engagement with the working population through the city's sector skills partnerships to attract, recruit, train and retain ◆ Develop compelling career route maps with progression pathways aligned to growth sectors ◆ Mentoring and coaching skills development implemented, with life-long learning encouraged ◆ Attract local people to undertake onsite/ fast track training and encourage employers to invest in upskilling/ retraining including through city Skills Academies ◆ Develop sector insight programmes of inspiring site visits, taster days, paid / unpaid work experience and volunteering for those Post-16 seeking opportunities 	<ul style="list-style-type: none"> ◆ Embed real time Labour Market Intelligence in the education system ◆ Map the existing education provision, undertake gap analysis and create new provision to meet employer demand ◆ Ensure high quality impartial careers information, advice and guidance that supports positive destinations including a specific focus on emerging green jobs ◆ Improve awareness, raise aspirations and grow the number of new entrant opportunities with clear progression pathways including work experience placements, traineeships, apprenticeships, T-Level placements and at graduate level ◆ Host high profile, localised careers and sectorial education engagement events ◆ Develop compelling career route maps for education leavers and promotional materials to align with growth sector messaging ◆ Embed an extensive Education Outreach programme (including Plymouth's new 5E Careers Education Model) with an enabling Education Hub (as part of Skills Launchpad Plymouth) across Primary, Secondary, SEND, further and higher education institutions to focus on preparing children and young people for the world of work ◆ Coordinate effective school engagement delivery through the city's sector skills partnerships ◆ Implement a city wide coordinated plan to increase the number of young people accessing and maintaining [meaningful] education, employment or training opportunities, and improve successful transitions at Post 16 ◆ Establish NEET panels (including those at risk of NEET) to better support young people not in education, employment or training ◆ Ensure sustainability for delivery of Skills Launchpad Plymouth's Youth Hub to connect those 16-24 years old with skills, training, education, careers and jobs. To coordinate city wide school/ education leaver campaigns to align with real job/ career opportunities ◆ Increase graduate recruitment and retention in the city

9 Enablers

Collation of real-time Labour Market Intelligence: we will gather this for the city and travel to work area through our Employment and Skills Board, Growth Board sectoral leads, Plymouth City Council, Plymouth and Devon Chamber of Commerce, Federation of Small Businesses, sector networks, sector skills partnerships and directly with local employers, Department for Work and Pensions, and many more key strategic working groups and partners in the city.

Skills Sector Partnerships: the city's growth sectors will be supported to better coordinate efforts to improve educating, attracting, recruiting, training and retaining a skilled workforce, using Building Plymouth as the blue-print for a successful sectorial joined up skills approach.

Employer Hub: the new Employer Hub as part of Skills Launchpad Plymouth will include a specific focus on aiding inclusive recruitment and employment, and ensuring support for small to medium sized companies to better navigate the complex skills and employment landscape.

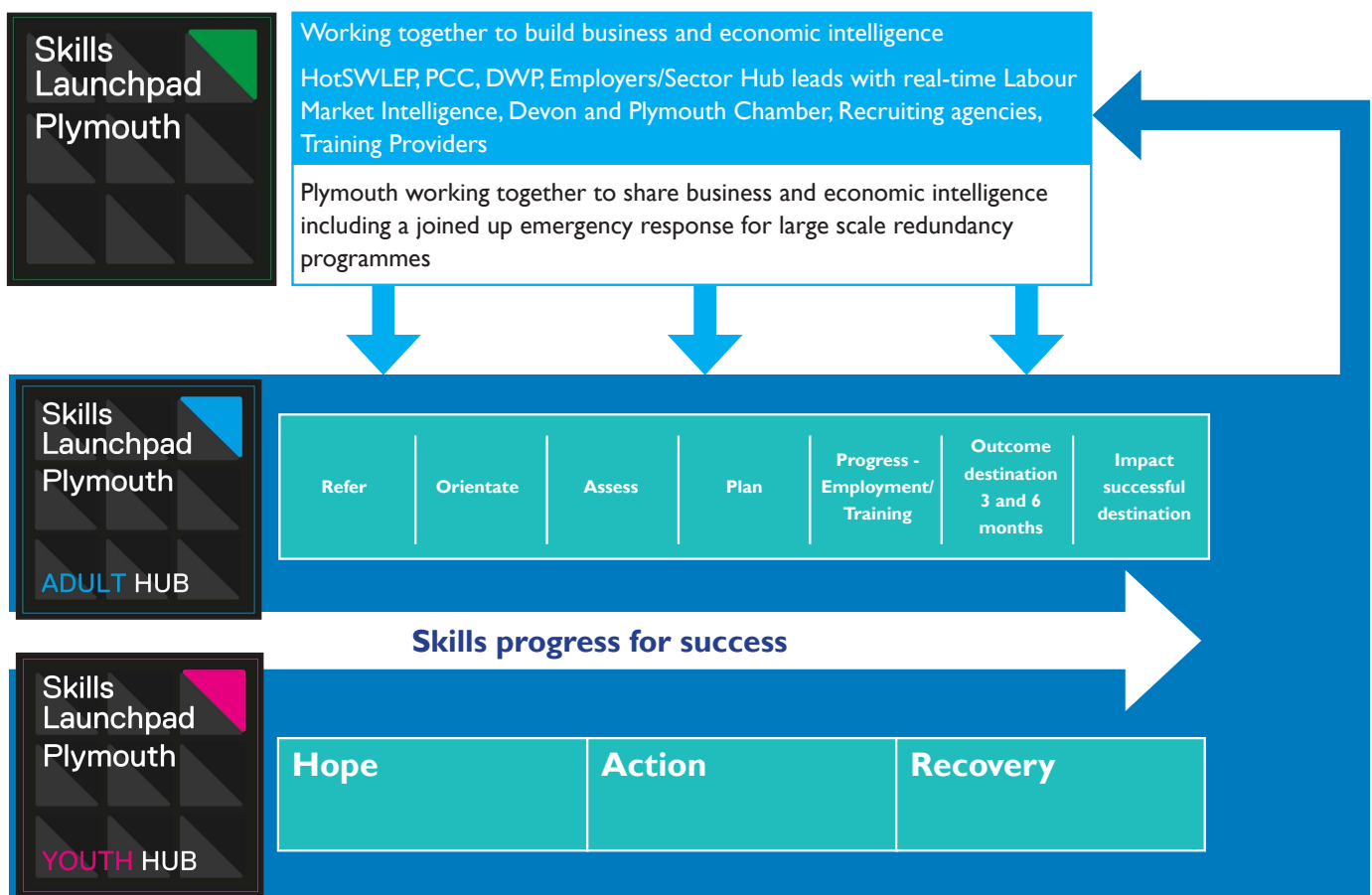
Clean Energy and Low Carbon Growth plans: the city has unique expertise in engineering, green and marine energy, wind, photovoltaic, nuclear and commissioning and clean mobility technologies.

Keep Plymouth Working: a strategic partnership agreement between Plymouth City Council and the Department for Work and Pensions to tackle social inequality and the barriers to jobs and opportunities to realise our ambition for Plymouth to be a modern, vibrant and sustainable city to live, work and visit. The agreement acts as a mechanism to identify emerging issues at the earliest opportunity and to ensure that strategic priorities are aligned.

Skills Launchpad Plymouth: working in city wide partnership to connect the people of Plymouth with opportunities for skills, training, education, careers and jobs www.skillslaunchpadplym.co.uk

Led by Plymouth City Council, in alignment with Department for Work and Pensions, Skills Launchpad Plymouth supports those who are job seeking, facing redundancy or changing careers through the Adult Hub aged 25 years +, and offering targeted support for young people aged 16-24 years including those with additional needs through the Youth Hub. The intention of the 'Skills Journey' through the Launchpad is to put the individual at the heart – recognising that not one size fits all and that anyone in Plymouth can access this free help. The service offer an ethical and inclusive front door, designed to help residents make independent and informed skills and training choices, leading to better access to real employment opportunities.

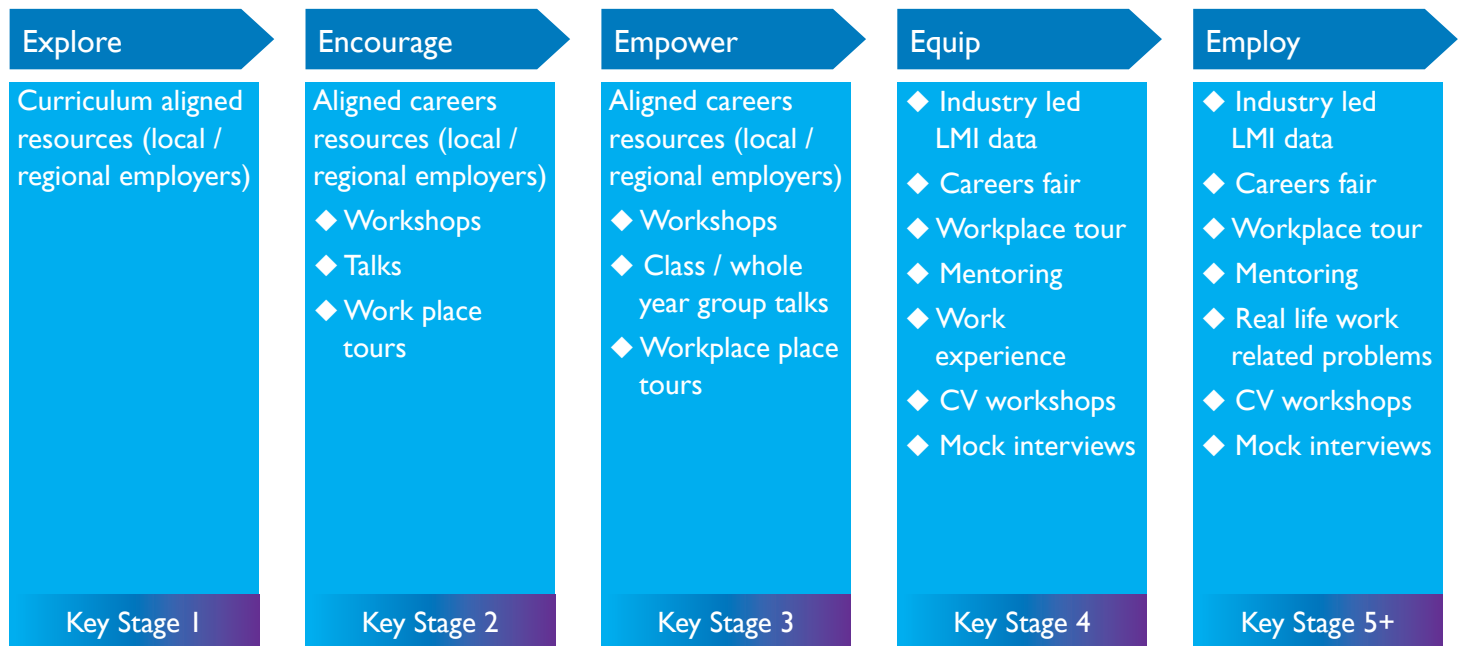
The Skills Journey



Education Hub: the new Education Hub as part of Skills Launchpad Plymouth will provide online support for teachers, educators, parents and carers to access localised curriculum aligned resources developed by Plymouth City Council, skills sectorial partnerships and partners. Designed to showcase the current and future job opportunities in the city and to embed careers information, advice and guidance into education across all key stages.

Plymouth 5E Careers Education model: this provides a new strategic framework to embed local Labour Market Intelligence and careers, information, advice and guidance across Primary, Secondary, SEND, further and higher education institutions to focus on preparing children and young people for the world of work so that they are better informed about the city's career opportunities and confidently transition from education into positive destinations.

Plymouth 5E – Careers Education Model



10 Skills priorities time line

LONG TERM

- ◆ Identify jobs and skills for 10 year+ view
- ◆ Where possible, identify demand for next 20 years+ view
- ◆ Develop new curriculum content, specialist school provision, inform new apprenticeship standards and T-Levels etc.
- ◆ Establish growth sector skills academies: Health and Care; Marine and Maritime; Construction and Built Environment
- ◆ Attract and recruit people nationally and internationally
- ◆ Build a strong talent pool to meet future skills demand
- ◆ Close Skills Gaps

MEDIUM TERM

- ◆ Identify growth jobs and skills required in the next 2 to 5 years
- ◆ Map the existing provision, undertake gap analysis and create new provision to align with employer demand
- ◆ Embed real time Labour Market Intelligence into the education system and the community
- ◆ Ensure high quality impartial careers information, advice and guidance that supports positive destinations
- ◆ Embed careers, enterprise and employability skills into the education model and wider community
- ◆ Grow new entrant opportunities in future demand areas, co-designed with employers across sectors
- ◆ Set up sectorial skills partnerships for further growth sectors including: marine and maritime; manufacturing; and hospitality and tourism
- ◆ Build funding pipeline (include skills academies aligned to growth sectors)
- ◆ Implement coordinated education outreach and embed the Skills Launchpad Plymouth's Education Hub (including 5E Model) - Primary - Secondary - SEND – Colleges – Universities
- ◆ Ensure sustainability for delivery of Skills Launchpad Plymouth (both virtual and physical services)
- ◆ Expand the Skills Launchpad Plymouth's dedicated Youth Hub supporting those 16-24 years, including those with additional support needs and a priority focus on targeting young people not in education, employment or training (NEET)
- ◆ Expand the Skills Launchpad Plymouth's dedicated Adult Hub supporting those 25 years+ facing redundancy, job seeking, retraining/ upskilling or changing careers, matching adults with real opportunities
- ◆ Expand the Skills Launchpad Plymouth's community outreach programme to engage and support more disadvantaged individuals
- ◆ Deliver a graduate recruitment and retention programme
- ◆ Develop strategic workforce / succession planning training for small to medium sized enterprises

SHORT TERM

- ◆ Demand informed by real-time Labour Market Intelligence for next 18 months
- ◆ Develop new content and inform Post 16 provision, adult, further and higher education curriculum development
- ◆ Build funding pipeline to ensure delivery of skills priorities
- ◆ Expand delivery and ensure sustainability for Skills Launchpad Plymouth's Youth Hub, Adult Hub and community outreach activities
- ◆ Further develop Building Plymouth as the 'blue-print' for sectorial skills partnerships to meet the skills demand for the construction and built environment sector
- ◆ Launch new sector skills partnership for health and care
- ◆ Develop sector insight programmes for those Post-16 seeking opportunities
- ◆ Host high profile, localised careers and sectorial education engagement events
- ◆ Develop compelling career route maps and materials to align with growth sector messaging and real job opportunities
- ◆ Develop an Employer Hub as part of Skills Launchpad Plymouth
- ◆ Implement a coordinated plan to increase the number of young people accessing and maintaining meaningful education, employment or training opportunities, and improve successful transitions at Post 16
- ◆ Secure funding for and plan for Skills Launchpad Plymouth's Education Hub and 5E Model

Globalisation, technology progress, demographic changes, the Coronavirus pandemic and Brexit have had a profound impact on the local economy. This has resulted in high numbers of unemployment and significant skills gaps and skills shortages. To address these issues Plymouth must work towards aligning a skilled supply of people to meet the demand as Plymouth continues to drive growth in existing, new and emerging industries.

The best way to improve people's life chances is to give them the skills to succeed. Plymouth has a strong foundation of apprenticeship and technical skills, but lags behind the UK on higher (Level 4+) and basic adult skills. This has created significant skills gaps and skills shortages in the city.

Innovation drives economic growth and creates jobs. Plymouth is already home to world-leading research in areas such as Marine, Science and Health and we must be best-placed to take advantage of the government's significant uplift in Research and Development (R&D) investment and the creation of the Advanced Research and Invention Agency to fund high-risk, high-reward research.

Key to successful outcomes is creating opportunities for all, creating a strategic programme of engaging activities, which raise aspirations and broaden horizons across schools and communities and raises the attainment levels in key subjects such as English, maths and other STEM subjects including digital skills. Ensuring young people, their parents / carers and teachers understand what jobs will exist when they leave education and the career pathways to their chosen careers.

To create a growing and fair economy, we need to support and empower communities to develop the economic opportunities most suited to their need. Individuals living in our most deprived areas often face a multitude of barriers to participating in the economy. Those who have been disengaged from the labour market for some time and/ or significantly impacted by the pandemic, require more intensive support to help them re-connect with better considered inclusive recruitment practices. It is therefore imperative that our employment and skills interventions are responsive to this.

We also need to make sure that people in work are supported to stay in work and maintain, or increase productivity. This means that highly skilled workers make the most of their qualifications and that associate professional and skilled trades are upskilling to more knowledge intensive roles particularly where those roles are automated or where new technology is introduced.

Outcome 1

across growth sectors there is higher productivity, more advances in innovation and fewer skills challenges

Outcome 2

higher percentage of working age population employed and higher percentage of highly skilled jobs

Outcome 3

employers are investing significantly more in the skills of their workforce (lifelong learning with improved retention rates)

Outcome 4

increased engagement of young people, higher percentage of young people have raised aspirations, good attainment levels in English, Maths and STEM subjects and improved levels of work readiness

Outcome 5

an inclusive, diverse economy, which creates opportunities for all



12 Measures of success

Outcome	Measures	Year 1	Year 2	Year 3	Year 4	Year 5
Outcome 1 across growth sectors there is higher productivity, more advances in innovation and fewer skills challenges	♦ Sector based Labour Market Intelligence breakdown, including skills gaps and shortages	For 18 months	For 5 years	For 5 years	Embedded process	Ongoing reporting for trend analysis
	♦ Skills and training provision gaps by sector	Capture	Understand position Capture	Embedded process, annual reporting	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Increase in GVA	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Number of personalised action plans (Adults)	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Graduate recruitment	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Apprenticeship starts and Level	3 % Increase	3 % Increase	2 % increase	2 % increase	2% increase
Outcome 2 higher percentage of working age population employed and higher percentage of highly skilled jobs	♦ Number of unique visitors to Skills Launchpad Plymouth website and sign ups	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Employment rates ♦ Number of Universal Credit claimants	-0.5% below national average	-0.75% below national average	-1% below national average	-1.25% below national average	-1.5% below national average
	♦ Retention and attainment of Adult Education Budget funded learners	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Number of personalised action plans (Youth)	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	♦ Number of people 25 years+ transitioned into education, training or employment through Skills Launchpad Plymouth ♦ Number of people 16-24 years transitioned into education, training or employment through Skills Launchpad Plymouth ♦ Number of people transitioned into education, training or employment through Sectoral Skills Partnership	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis

Outcome	Measures	Year 1	Year 2	Year 3	Year 4	Year 5
Outcome 3 employers are investing significantly more in the skills of their workforce (lifelong learning with improved retention rates)	<ul style="list-style-type: none"> ◆ New Apprenticeship Standards ◆ New training in the City (new or brought back into the city) ◆ Traineeship starts ◆ Level Starts ◆ City Skills Levels (NVQ 4+) 	Capture	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
Outcome 4 increased engagement of young people, higher percentage of young people have raised aspirations, good attainment levels in English, Maths and STEM subjects and improved levels of work readiness	<ul style="list-style-type: none"> ◆ NEET rates ◆ Number of 16-24 year old NEETs transitioned into education, training or employment through Skills Launchpad Plymouth's Youth Hub ◆ Use same measure in Years 1 to 5 as above 	0.25% improvement	+0.75% improvement	National Average	0.25% below national average	0.5% below national average
	<ul style="list-style-type: none"> ◆ Attainment 	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
	<ul style="list-style-type: none"> ◆ Destination ◆ Number of Educational Interventions (5E Model) ◆ % English, Maths retake ◆ % of young people selecting STEM subjects at GCSE, A and T Level 	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis
Outcome 5 an inclusive, diverse economy, which creates opportunities for all	<ul style="list-style-type: none"> ◆ Weekly wage (close on national gaps) ◆ Number of Enterprises / Small Businesses ◆ Business Survival Rate (closing gap on national benchmark) ◆ Number of new start-ups ◆ Number of Sector based work academies ◆ Number of people supported through community Leads (SLP) ◆ Number of at risk of NEET Interventions 	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis	Ongoing reporting for trend analysis

EQUALITY IMPACT ASSESSMENT

Education, Participation & Skills



STAGE 1: WHAT IS BEING ASSESSED AND BY WHOM?

<p>What is being assessed - including a brief description of aims and objectives?</p>	<p>Skills 4 Plymouth – strategic skills plan</p> <p>Covid-19 pandemic and Brexit has fundamentally changed the skills landscape, with many local employers struggling to attract, recruit and retain people with the right skills. Skills gaps (in the current workforce) and skills shortages (difficulties in recruiting) are evident across all sectors. As a city, we do not have enough engineers, technicians, construction workers, health, social care, hospitality, tourism or retail professionals, to meet the demand of our local businesses. Employers report recruiting difficulties in these areas as a key constraint and redressing this is critical to improving productivity, competitiveness and growth.</p> <p>In response we are seeking approval to launch the city's first Skills 4 Plymouth strategic plan. The 5 year strategic plan is designed to make sure people have the right skills now and in the future to get a job and progress in work, and employers have people with the right skills they need for recovery and growth. It recognises that employers must be put at the heart of defining local skills needs.</p> <p>The plan has been circulated widely under the Employment and Skills Board, including the Skills 4 Plymouth Summit held in November 2021. The consultation process, along with wider stakeholder engagement, has greatly shaped the skills priorities going forward, with oversight and strategic direction of the detailed plans proposed under the leadership of the Employment and Skills Board.</p> <p>The short-term skills recovery actions have been developed and delivered under the Resurgam programme, established during the Covid-19 pandemic to enable the city to recovery and build back better. The medium to long-term skills actions align to Plymouth's Local Economic Strategy for 2020 to 2025.</p>
<p>Author</p>	<p>Tina Brinkworth</p>
<p>Department and service</p>	<p>Children's Services – Education, Participation & Skills</p>
<p>Date of assessment</p>	<p>2nd March 2022</p>

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information (eg data and feedback)	Any adverse impact See guidance on how to make judgement	Actions	Timescale and who is responsible
Age	The average age in Plymouth (39.0 yrs.) is about the same as the rest of England (39.3 yrs.), but less than the South West (41.6yrs). Of the 16 SW authorities we have the third lowest % of older people (75), the sixth highest % of working age people and the fifth highest % of children and young people (under 18). Under 18s account for 19.8% of our population within this 17.5 % are under 16. As of January 2023, there are estimated to be 438 (5.4 %) young people aged between 16 and 18 who are NEET. The proportion of the working age population (16-64) is higher (66.1%) than regionally (62.8%) and nationally (64.7%).	No adverse impacts anticipated	None	N/A
Disability	A total of 31,164 people (from 28.5 per cent of households) declared themselves as having a long-term health problem or disability (national figure 25.7 per cent of households), compared with the total number of people with disabilities in UK (11,600,000).	No adverse impacts anticipated	None	N/A
Faith/religion or belief	<ul style="list-style-type: none"> • Christianity: 148,917 people (58.1 %), decreased from 73.6 % since 2001. • Islam: 2,078 people (0.8 %), doubled from 0.4 % since 2001. • Buddhism: 881 people (0.3 %), increased from 0.2 % since 2001. • Hinduism: 567 people (0.2 %) described their religion as Hindu, increased from 0.1 % since 2001. • Judaism: 168 people (0.1 %), decreased from 181 people since 2001. • Sikhism: 89 people (less than 0.1 %), increased from 56 people since 2001. <p>84,326 (32.9%) % of the Plymouth population stated they had no religion.</p>	No adverse impacts anticipated	None	N/A

Gender - including marriage, pregnancy and maternity	Overall 50.6 % of our population are women and 49.4 % are men: this reflects the national figure of 50.8 % women and 49.2 % men. There were 3,280 births in 2011. Birth-rate trends have been on the increase since 2001, but since 2010 the number of births has stabilised. Of those aged 16 and over, 90,765 people (42.9%) are married. 5,190 (2.5 %) are separated and still legally married or legally in a same-sex civil partnership. In Plymouth in 2014 average hourly earnings for women (£10.00) were 93 % of average hourly male earnings (£11.82). In Plymouth in 2005, women working full time earned only 81 % of average hourly fulltime male earnings. By 2010 this gap had closed and women were earning 90 %. In 2014 the gap had slightly widened. Across the South West region in 2014 women working full-time only earn 86 % of average full-time hourly male earnings, and for the UK as a whole the figure is 90%.	No adverse impacts anticipated	None	N/A
Gender reassignment	It is estimated that there may be 10,000 transgender people in the UK. There were 26 referrals from Plymouth made to the Newton Abbott clinic, in 2013/14. The average age for presentation for reassignment of male-to-females is 40-49. For female-to-male the age group is 20-29.	No adverse impacts anticipated	None	N/A
Race	92.9% of Plymouth's population identify themselves as White British. 7.1% identify themselves as Black and Minority Ethnic (BME) with White Other (2.7%), Chinese (0.5%) and Other Asian (0.5%) the most common ethnic groups. Our recorded BME population rose from 3% in 2001 to 6.7% in 2011, and therefore has more than doubled since the 2001 census. Recent census data suggests we have at least 43 main languages spoken in the city, showing Polish, Chinese and Kurdish as the top three. Four neighbourhoods have a population of school age children where 20% or more are from a BME background. They are City Centre (38%), Greenbank and University (32.3 %), Stonehouse (29.9%) and East End (23.4%). There are 1867 school children (over 5 years old) that speak English as an additional other language. The 2001 Census records that there were 4328 people from the A8 and A2 Accession Countries resident in the City. Of these 2332 recorded their country of birth as Poland, with 57 % arriving between March 2006 and 2008.	No adverse impacts anticipated	None	N/A

Sexual orientation - including civil partnership	There is no precise local data on numbers of Lesbian, Gay and Bi-sexual (LGB) people in Plymouth, but nationally the government have estimated this to be between 5 – 7% and Stonewall agree with this estimation given in 2005. This would mean that for Plymouth the figure is approximately 12,500 to 17,500 people aged over 16 in Plymouth are LGB.	No adverse impacts anticipated	None	N/A
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STAGE 3: ARE THERE ANY IMPLICATIONS FOR THE FOLLOWING? IF SO, PLEASE RECORD ACTIONS TO BE TAKEN

Local priorities	Implications	Timescale and who is responsible
Reduce the gap in average hourly pay between men and women.	The Skills 4 Plymouth strategic skills plan will focus on supporting people into work and progressing those in work Thus providing women with employment and upskilling opportunities which will potential reduce the gap.	Ongoing – EP&S
Increase the number of hate crime incidents reported and maintain good satisfaction rates in dealing with racist, disablist, homophobic, transphobic and faith, religion and belief incidents.	None	N/A
Good relations between different communities (community cohesion)	This will focus across all communities in the city and will be accessible to all.	Ongoing – EP&S
Human rights Please refer to guidance	Inclusive upskilling and employment opportunities to all our residents, particularly those deemed as vulnerable or most disadvantaged.	Ongoing – EP&S

STAGE 4: PUBLICATION

Responsible Officer

Head of Skills & Post 16

Date

2nd March 2022

Strategic Director, Service Director or Head of Service

Cabinet



Date of meeting: 08 March 2022

Title of Report: **DWP & PCC Partnership Agreement**

Lead Member: Councillor David Downie (Cabinet Member for Education, Skills, Children and Young People)

Lead Strategic Director: Alison Botham (Director for Childrens Services)

Author: Tina Brinkworth

Contact Email: Tina.brinkworth@plymouth.gov.uk

Your Reference:

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

This paper seeks to gain approval to formally implement a Partnership Agreement between the Department for Work and Pensions (DWP) and Plymouth City Council (PCC).

DWP and PCC have built a good working relationship over many years. We have been approached by DWP to formalise this partnership and reaffirm our commitment to continue working together.

This attached paper sets out the agreed principles of the partnership working between DWP and PCC, as well as the priority cohorts and work programmes that we will collectively focus on to achieve our shared objective.

Our joint offer

DWP and PCC's commitment to working together is guided by a number of principles:

We will use robust data and intelligence to develop, seek funding for, and deliver, high quality and innovative employment support programmes. These will be targeted to priority groups and/or wards most in need of additional intervention to improve employment outcomes, social mobility and to raise aspirations. This also includes ensuring employment support is widely accessible to maximise resident engagement. Based on current evidence, initial efforts will be focused on residents most affected by the Covid-19 pandemic, as well as those who historically fare less well in the labour market including:

- a. Unemployed People aged 18-24 and 50+
- b. Newly unemployed
- c. Long-term unemployed
- d. Unemployed people with health conditions and disabilities

- e. Black, Asian and minority ethnic (BAME) communities
- f. Unemployed people with complex needs
- g. NEETs
- h. Care Leavers
- i. SEND
- j. Ex-offenders and prison leavers
- k. Military Service Leavers
- l. Self-employed

The objective of these principles is to inform a comprehensive, agreed programme of work that will result in increased opportunities and support for unemployed Plymouth residents to move into sustained jobs.

Recommendations and Reasons

Cabinet is asked to

1. Approve the Partnership Agreement
2. Delegate signing of the partnership agreement to the Cabinet Member for Education & Skills and Children & Young People

Alternative options considered and rejected

1. Do nothing

The above option is the only alternative option available and has been rejected. The preferred option is to enter into a Partnership Agreement/ This creates a strategic framework with DWP to work collaboratively and lever in additional funding and initiatives to the city for the benefit of residents and the wider economy.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Partnership Agreement has been designed to support and align with both the Corporate Plan and Plymouth Plan:

- Corporate Plan (2021 – 2025) – it helps delivers the ‘Unlocking the City’s Potential’ priority by contributing towards ‘a vibrant economy, developing quality jobs and skills’.
- Plymouth Plan (2014 – 2034) - it contributes to a number of key policies, particularly a ‘Growing City’, specifically GRO1 ‘Creating the conditions for economic growth’ and GRO2 ‘Delivering skills and talent development’

Implications for the Medium Term Financial Plan and Resource Implications:

- No direct financial implications, but may provide opportunity to access funding to support interventions / initiatives.
- No direct implication on resources as this work will be subsumed into the Employment and Skills Board (sub group).

Financial Risks

There are no financial implications to Plymouth City Council.

Carbon Footprint (Environmental) Implications:

None identified

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Risk Register:					
Potential Risks Identified			Likelihood	Impact	Overall Rating
Risk	Ineffective governance of DWP & PCC Partnership		Low	Medium	Medium
Mitigation	Report as a subgroup into the Employment and Skills Board to ensure alignment to Plymouth’s strategic plans, including the Corporate Plan and local skills plans (at a city and regional level)		Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£ N/A	Risk Owner	Tina Brinkworth		

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Briefing report title							
B	Equalities Impact Assessment							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	djn.21 .22.23 I	Leg	LS/37 921/A C/16/ 1/22	Mon Off		HR		Assets		Strat Proc	PB/SC/009 /CAB/012 2
Originating Senior Leadership Team member: Ming Zhang / Tina Brinkworth											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 22/12/2021											
Cabinet Member approval: Councillor David Downie (Cabinet Member for Education, Skills, Children and Young People)											
Date approved: 17/01/2022											

DEPARTMENT FOR WORK AND PENSIONS AND PLYMOUTH CITY COUNCIL STRATEGIC PARTNERSHIP AGREEMENT

EDUCATION, PARTICIPATION & SKILLS

**Briefing Note:**

The Department for Work and Pensions (DWP) and Plymouth City Council (PCC) have built a good working relationship over many years. As a commitment to continue this, they would like to establish 'Keep Plymouth Working'; a strategic city wide agreement. The agreement sets out the agreed principles of the partnership working between DWP and PCC, as well as the priority cohorts and work programmes that we will collectively focus on to achieve the shared objectives.

There is no financial impact on PCC and there are numerous non-financial benefits which align with city priorities and meet local needs of disadvantaged and vulnerable groups. The Keep Plymouth Working agreement will allow us to come together and to combine our data and intelligence to develop, seek funding for, and deliver, high quality and innovative employment support programmes. This will allow us to support priority groups and/or wards most in need of additional intervention to improve employment outcomes, social mobility and to raise aspirations.

This will include ensuring employment support is widely accessible to maximise resident engagement. Based on current evidence, initial efforts will be focused on residents most affected by the Covid-19 pandemic, as well as those who historically fare less well in the labour market including:

- a. Unemployed People aged 18-24 and 50+
- b. Newly unemployed
- c. Long-term unemployed
- d. Unemployed people with health conditions and disabilities
- e. Black, Asian and Minority Ethnic (BAME) communities
- f. Unemployed people with complex needs
- g. NEETs
- h. Care Leavers
- i. SEND
- j. Ex-offenders and prison leavers
- k. Military service leavers
- l. Self-employed

The key output will be a programme of work that will result in increased opportunities and support for unemployed Plymouth residents to move into sustained jobs and fill critical skills gaps in the city. At the same time it will support those residents on low wages into higher skilled roles, so they can become financially independent. The Department for Works and Pensions has identified over 6,500 residents in the city and travel to work area who are actively looking for work and the Keep Plymouth Working agreement will enable us to co-design solutions to support residents into sustainable work whilst addressing some of the critical skills gaps in: health and social care, manufacturing, marine, construction and the built environment as well as new roles generated from the National Marine Park, Freeport status and green skills.

Joint work already undertaken between PCC and DWP includes

1. **Youth Hub Approach to Address Employability and Other Barriers** – Plymouth's Youth Hub was established in August 2020 as a virtual service (as part of the Skills Launchpad Plymouth (SLP) website www.skillslaunchpadplym.co.uk) to support young people (aged 16-24) to overcome multiple barriers to employment, education and training. As well as a virtual service (via the SLP website) face-to-face service delivery, supported by Barclays Plymouth, opened for prioritised appointments from the end of April 2021. Our Core Team of DWP Work Coaches, and other job roles (Disability Employment Advisers, Employer Advisers and Youth Employment Coaches) are working with the Hub (alongside other partner and support organisations) with the aim to encourage sign up to SLP, increase skills, attainment and employment outcomes. This two-year project (which officially commenced on 1/12/20) will support 500 young people into sustainable training and work opportunities. There are currently 4,192 young people that are claiming Universal Credit in Plymouth.
2. **Adult Hub Approach to Address Employability and Other Barriers** – As per the Youth Hub (see above), the Adult Hub was also established in August 2020 as a virtual service (the Skills Launchpad Plymouth website). Also, as per the Youth Hub, the Adult Hub will support people aged 25+. The face to face delivery of this service opened in May 2021. DWP will support the Adult Hub as proven by good practice shared by the Youth Hub as well as city wide partner organisations. This is also a two-year project (starting on 5/4/21) and it will support 500 people in to work and training. There are currently 22,341 people aged 25+ claiming Universal Credit in Plymouth, of which 4,505 are aged 50+.
3. **JCP Capacity** - DWP are investing in additional Work Coaches and, based on propositions developed by Plymouth City Council, they will maximise the use of the Flexible Support Fund and other available funding to improve access and provision of employment support. This aims to address gaps in the local offer and engage hard to reach communities.
4. **Employer Engagement** - DWP and Plymouth City Council will work collaboratively with the business community to maximise employer engagement through the Sector-based Work Academy Programme, Kickstart and the new employer hub as part of Skills Launchpad Plymouth - promoting the work of The Devon & Plymouth Chamber and The Real Ideas Organisation as Kickstart Gateway organisations. Working together to build and understand the future employment and skills demand for the city, building a strong evidence base.
5. **Skills Provision** - DWP and Plymouth City Council will work with The Heart of the South West LEP, employers and other partners to shape skills provision across the city (including digital skills) in order to: reduce the risk of duplication, maximise employer incentives and ensure the development of new programmes. This will include encouraging employers to invest in traineeships and apprenticeships, creating an inclusive and skills-enriched pathway for residents which, in turn, will secure good job outcomes. Key Plymouth City Council delivery partners include On Course South West (PCC's Adult Education service) and Careers South West.
6. **Managed Approach to Redundancy** - DWP and Plymouth City Council will work jointly with key stakeholders to co-ordinate an effective offer for individuals (underpinned by Skills Launchpad Plymouth and On Course South West) and employees at risk of redundancy.
7. **Local Jobs for Local People** – Plymouth City Council will work to ensure significant new investments and capital projects land in Plymouth, which will increase the skills and employment opportunities for local residents, particularly those out of work. To facilitate this, digitised solutions will be sought to improve matching of residents to local jobs, training and work-related opportunities.

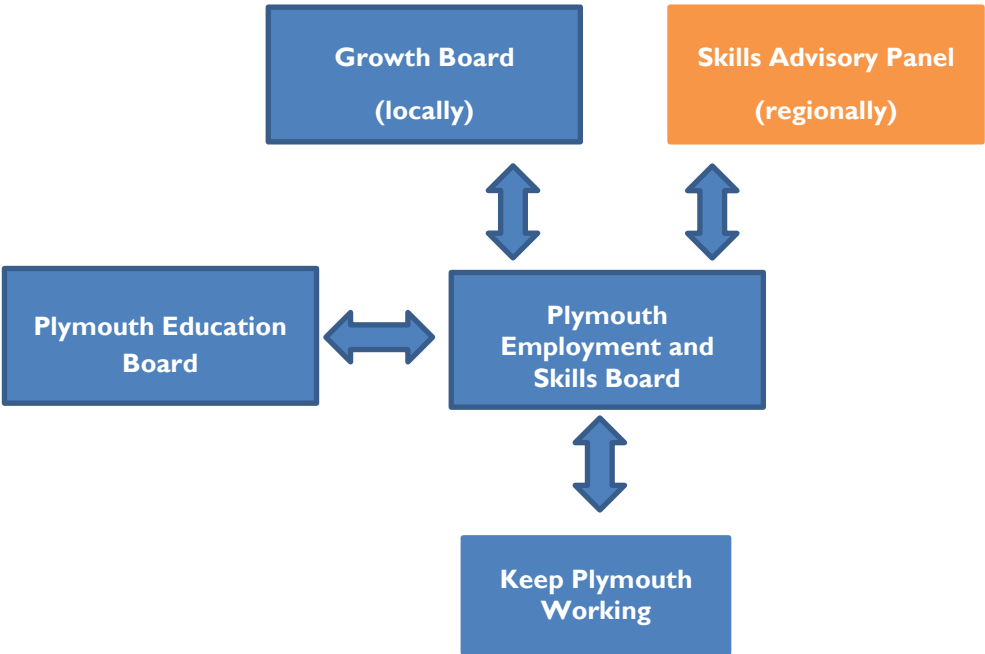
8. **Domestic Abuse and Sexual Violence** - DWP and Plymouth City Council will work together to support people who are victims of Domestic Violence or Sexual Abuse. Together we are creating a package of support to help recovery and to support people to financial independence.
9. **Children's Services** - DWP will continue to provide a dedicated Work Coach within the Troubled Families department within Children's Services to enable individuals to work towards financial independence to improve their life.
10. **Refugee & Asylum Seekers** – DWP will continue to work alongside Plymouth City Council across this agenda – specifically focusing on employment, skills, housing and integration. We will ensure that all refugees and asylum seekers (and their families) obtain the best possible outcomes, both now and in the future.
11. **Carers Support** – DWP and Plymouth City Council will continue to collaborate in their work to support carers in the city. This includes ensuring that they achieve their full potential, whilst still undertaking their caring responsibilities. This could mean undertaking some voluntary or paid work or a training opportunity. We will also work with them after their caring responsibilities come to an end, by encouraging them to understand the skills that they've acquired whilst caring for another.
12. **Learning Disabilities (LD)/ Autism Support** – Plymouth City Council and DWP will continue to work on this agenda, by supporting those with a LD or Autism to achieve their full potential. This could be by funding programmes or running employability events.
13. **Homelessness Prevention** - Considerable work has been successfully undertaken by Plymouth City Council over a number of years, and much work is currently underway to prevent and relieve homelessness in Plymouth. The recent focus has been on building on successes and good practice; codifying and coordinating work under a single programme that will oversee the delivery of a scheme of works that aims to further prevent and reduce homelessness in Plymouth. DWP are a key stakeholder in this co-ordinated programme.
14. **Early Help and Targeted Support** - Led by Plymouth City Council, the key aim of this programme is to reflect on what can be developed to improve the outcomes for children, young people and their families. It also seeks to improve system and service effectiveness. DWP are a member of the Governance Board.
15. **Corporate Parenting to Children in Care and Care Leavers in Plymouth** – DWP has been invited by Plymouth City Council to join this new group which started in March 2021, to provide an effective means of: ensuring we have a collaborative and consistent operational response to tackling challenges and drive improvements; bringing together and connecting existing work streams, forums and projects and avoiding duplication.
16. **Working in Schools in Plymouth** – working together with local primary and secondary schools and colleges to broaden horizons and raise aspirations. There will be a particular focus on vulnerable and disadvantaged young people and their families, including children in care to prevent them from becoming NEET or unemployed.
17. **Community Outreach** – working together in the community to proactively target wards across the city with high unemployment and NEETs supported by the new PCC Community Lead Coordinators delivered as part of a Skills Launchpad Plymouth 'Roadshow'. Co-designing and delivering career engagement events and activities with impact, which connect residents

with local employment opportunities. This will ensure full alignment with the new Family and Well-being Hubs, and promotion of family and community learning opportunities.

Governance

To ensure effective delivery and strategic prioritisation and to assist Plymouth’s recovery from the pandemic, a working group will be established by DWP and PCC to enable effective stewardship of this Partnership Agreement. Terms of Reference, an agreed programme of work, key performance indicators and other systems to monitor progress and impact of this partnership will be agreed by this body. It will also act as a mechanism to identify emerging issues at the earliest opportunity and to ensure that strategic priorities are aligned.

It is proposed that the ‘Keep Plymouth Working’ working group is established as a sub-group of the Employment and Skills Board, to ensure alignment with strategic plans and other key strategic boards.





Keep Plymouth Working

The Department for Work and Pensions (DWP) and Plymouth City Council (PCC) have built a good working relationship over many years and reaffirm their commitment for this to continue.

This paper sets out the agreed principles of the partnership working between DWP and PCC, as well as the priority cohorts and work programmes that we will focus on to achieve our shared objective.

In striving to be a city that is greener, fairer and healthier; we recognise the need to tackle social inequality and the barriers to jobs and opportunities so as to realise our ambition for Plymouth to be a modern, vibrant and sustainable city to live, work and visit. This is reflected in the Plymouth Plan, the city's strategic plan that sets the long-term objectives and in the skills plan (Skills 4 Plymouth) and focuses on education, skills and employment

Skills 4 Plymouth is an ambitious transformation programme that has been co-designed with local employers, businesses, skills providers and wider stakeholders. It aims to ensure that people have the right skills now and in the future to get a job and progress in work, and employers have people with the right skills they need for growth. Supporting residents with the skills to secure jobs, implementing swift and early interventions, whilst nurturing a talent pipeline fit for the future of work. It is sector and business led, based upon real time Labour Market Information. The key aim is to close the skills gap for Plymouth by creating a skilled supply of people to match employer demand. The vision is to deliver an outstanding skills system, which drives high aspirations and attainment and meets the needs of employers and individuals across all ages and across all communities.

Supporting vulnerable learners will be a significant focus of the partnership, which will build on our strength of working with the cohorts who have learning disabilities, Special Educational Needs and Disabilities (SEND), autism as well as young people in care or young people leaving care. DWP and PCC are working with other agencies supporting these cohorts who are deemed as vulnerable and/or disadvantaged to ensure high level of access to EET opportunities.

DWP and PCC recognise the significant challenges that Covid-19 has created. The national picture of declining job numbers in previously prevalent sectors, coupled with an increase in the number of people seeking welfare support and rising youth unemployment is now evident in Plymouth. Alongside these challenges run the issues of accessibility to services for those most in need, as well as uncertainty in employment, training and education options for young people.

DWP and PCC are working together to achieve our joint ambition for Plymouth, with more collaborative projects to recover the economy and reduce further unemployment across the city. Our employers are key to generating a range of pathways to sustainable jobs and we need to focus in on our key sectors – Health and Social Care, Marine and Maritime, Defence, Manufacturing, and Construction and the Built Environment. As well as those sectors with skills shortages like retail, hospitality and tourism as the sectors build back better.

Underpinning our Partnership Agreement is the need to understand the depth and breadth of employment and skills support across Plymouth - in order to improve coordination of efforts, intelligence gathering, intelligence sharing and ultimately the service we offer to both residents and employers. Through this partnership, we will maximise current resources, identify gaps and ensure relevant strategies and programmes are cognisant of this.

Our joint offer

DWP and Plymouth City Council's commitment to working together is guided by a number of principles:

PCC and DWP will use robust data and intelligence to develop, seek funding for, and deliver, high quality and innovative employment support programmes. These will be targeted to priority groups and/or wards most in need of additional intervention to improve employment outcomes, social mobility and to raise aspirations. This also includes ensuring employment support is widely accessible to maximise resident engagement. Based on current evidence, initial efforts will be focused on residents most affected by the Covid-19 pandemic, as well as those who historically fare less well in the labour market including:

- a. Unemployed People aged 18-24 and 50+
- b. Newly unemployed
- c. Long-term unemployed
- d. Unemployed people with health conditions and disabilities
- e. Black, Asian and minority ethnic (BAME) communities
- f. Unemployed people with complex needs
- g. NEETs
- h. Care Leavers
- i. SEND
- j. Ex-offenders and prison leavers
- k. Military Service Leavers
- l. Self-employed

The objective of these principles is to inform a comprehensive, agreed programme of work that will result in increased opportunities and support for unemployed Plymouth residents to move into sustained jobs. It is to document that we will also, collectively, continue to explore innovative solutions to address the needs of vulnerable and disadvantaged groups in the Plymouth area.

Work undertaken to date and our commitment to deliver joint outcomes:

1. **Youth Hub Approach to Address Employability and Other Barriers** – Plymouth's Youth Hub was established in August 2020 as a virtual service (as part of the Skills Launchpad Plymouth (SLP) website www.skillslaunchpadplym.co.uk) to support young people (aged 16-24) to overcome multiple barriers to employment, education and training. As well as a virtual service (via the SLP website) face-to-face service delivery supported by Barclays Plymouth opened for prioritised appointments from the end of April 2021. Our Core Team of DWP Work Coaches, and other job roles (Disability Employment Advisers, Employer Advisers and Youth Employment Coaches) are working on the Hub (alongside other partner and support organisations) with the aim to encourage sign up to SLP, increase skills, attainment and employment outcomes. This two-year project (which officially commenced on 1/12/20) will support 500 young people into sustainable training and work opportunities. There are currently 4,144 young people that are claiming Universal Credit in Plymouth

2. **Adult Hub Approach to Address Employability and Other Barriers** – As per the Youth Hub (see above), the Adult Hub was also established in August 2020 as a virtual service (the Skills Launchpad Plymouth website). Also, as per the Youth Hub, the Adult Hub will support people aged 25+, and the face to face delivery of this service opened in May 2021. DWP will support the Adult Hub as proven by good practice shared by the Youth Hub as well as city wide partner organisations. This is also a two-year project (starting on 5/4/21) and it will support 500 people in to work and training. There are currently 22,103 people aged 25+ claiming Universal Credit in Plymouth, of which 5,060 are aged 50+.
3. **JCP Capacity** - DWP are investing in additional Work Coaches and, based on propositions developed by Plymouth City Council, they will maximise the use of the Flexible Support Fund and other available funding to improve access and provision of employment support. This aims to address gaps in the local offer and engage hard to reach communities.
4. **Employer Engagement** - DWP and Plymouth City Council will work collaboratively with the business community to maximise employer engagement through the Sector-based Work Academy Programme, Kickstart and the new employer hub as part of Skills Launchpad Plymouth - promoting the work of The Devon & Plymouth Chamber and The Real Ideas Organisation as Kickstart Gateway organisations. Working together to build and understand the future employment and skills demand for the city, building a strong evidence base.
5. **Skills Provision** - DWP and Plymouth City Council will work with The Heart of the South West LEP, employers and other partners to shape skills provision across the city (including digital skills) in order to reduce the risk of duplication, to maximise employer incentives and to ensure the development of new programmes and will include encouraging employers to invest in traineeships and apprenticeships. Thus creating an inclusive and skills-enriched pathway for residents which, in turn, will secure good job outcomes. Key Plymouth City Council delivery partners include On Course South West (PCC's Adult Education service) and Careers South West.
6. **Managed Approach to Redundancy** - DWP and Plymouth City Council will work jointly with key stakeholders to co-ordinate an effective offer for individuals (underpinned by Skills Launchpad Plymouth and On Course South West) and employers at risk of redundancy.
7. **Local Jobs for Local People** – Plymouth City Council will ensure significant new investments and capital projects land in Plymouth, which will increase the skills and employment opportunities for local residents, particularly those out of work. To facilitate this, digitised solutions will be sought to improve matching of residents to local jobs, training and work-related opportunities.
8. **Domestic Abuse and Sexual Violence** - DWP and Plymouth City Council will work together to support people who are victims of Domestic Violence or Sexual Abuse. Together we are creating a package of support to help recovery and to support people to financial independence.
9. **Children's Services** - DWP will continue to provide a dedicated Work Coach within the Troubled Families department within Children's Services to enable individuals to work towards financial independence to improve their life.
10. **Refugee & Asylum Seekers** – DWP will continue to work alongside Plymouth City Council across this agenda – specifically focusing on employment, skills, housing and integration.

We will ensure that all refugees and asylum seekers (and their families) obtain the best possible outcomes, both now and in the future.

11. **Carers Support** – DWP and Plymouth City Council will continue to collaborate in their work to support carers in the city. This includes ensuring that they achieve their full potential, whilst still undertaking their caring responsibilities. This could mean undertaking some voluntary or paid work or a training opportunity. We will also work with them after their caring responsibilities come to an end, by encouraging them to understand the skills that they've acquired whilst caring for another.
12. **Learning Disabilities (LD)/ Autism Support** – Plymouth City Council and DWP will continue to work on this agenda, by supporting those with a LD or Autism to achieve their full potential. This could be by funding programmes or running employability events.
13. **Homelessness Prevention** - Considerable work has been successfully undertaken by Plymouth City Council over a number of years, and much work is currently underway to prevent and relieve homelessness in Plymouth. The recent focus has been on building on successes and good practice and codifying and coordinating work under a single programme that will oversee the delivery of a scheme of works that aims to further prevent and reduce homelessness in Plymouth – the DWP are a key stakeholder in this co-ordinated programme.
14. **Early Help and Targeted Support** - Led by Plymouth City Council, the key aim of this programme is to reflect on what can be developed to improve the outcomes for children, young people and their families. It also seeks to improve system and service effectiveness. The DWP are a member of the Governance Board.
15. **Corporate Parenting to Children in Care and Care Leavers in Plymouth** – DWP have been invited by Plymouth City Council to join this new group which started in March 2021, to provide an effective means of; ensuring we have a collaborative and consistent operational response to tackling challenges and drive improvements; bringing together and connecting existing work streams, forums and projects and avoiding duplication.
16. **Working in Schools in Plymouth** – working together with local primary and secondary schools and colleges to broaden horizons and raise aspirations. With a particularly focus on vulnerable and disadvantaged young people and their families, including children in care to prevent them from becoming NEET or unemployed.
17. **Community Outreach** – working together in the community to proactively target wards across the city with high unemployment and NEETs supported by the new PCC Community Lead Coordinators delivered as part of a Skills Launchpad Plymouth 'Roadshow'. Co-designing and delivering career engagement events and activities with impact, which connect residents with local employment opportunities. Ensuring full alignment with the new Family and Well-being Hubs, and promotion of family and community learning opportunities.

Delivery

To ensure effective delivery and strategic prioritisation and to assist Plymouth's recovery from the pandemic, a strategic working group will be established by DWP and PCC to enable effective stewardship of this Partnership Agreement. Terms of reference, an agreed programme of work, KPIs and other systems to monitor progress and impact of this partnership will be agreed by this

body. It will also act as a mechanism to identify emerging issues at the earliest opportunity and to ensure that strategic priorities are aligned.

Signed on behalf of Plymouth City Council:

.....

Signed on behalf of The Department for Work & Pensions:

.....

Dated:

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EQUALITY IMPACT ASSESSMENT

Education, Participation & Skills



STAGE 1: WHAT IS BEING ASSESSED AND BY WHOM?

What is being assessed - including a brief description of aims and objectives?

The Skills and Post 16 team within Education, Participation & Skills (EP&S) is seeking to gain approval to formally implement a partnership agreement between the Department of Works and Pensions and Plymouth City Council. Department of Works (DWP) and Plymouth City Council (PCC) have built a good working relationship over many years and we have been approached by DWP to formalise this partnership and reaffirm our commitment to continue working together.

DWP and Plymouth City Council's commitment to working together is guided by a number of principles:

PCC and DWP will use robust data and intelligence to develop, seek funding for, and deliver, high quality and innovative employment support programmes. These will be targeted to priority groups and/or wards most in need of additional intervention to improve employment outcomes, social mobility and to raise aspirations. This also includes ensuring employment support is widely accessible to maximise resident engagement. Based on current evidence, initial efforts will be focused on residents most affected by the Covid-19 pandemic, as well as those who historically fare less well in the labour market including:

- a. Unemployed People aged 18-24 and 50+
- b. Newly unemployed
- c. Long-term unemployed
- d. Unemployed people with health conditions and disabilities
- e. Black, Asian and minority ethnic (BAME) communities
- f. Unemployed people with complex needs
- g. NEETs
- h. Care Leavers
- i. SEND
- j. Ex-offenders and prison leavers
- k. Military Service Leavers
- l. Self-employed

The objective of these principles is to inform a comprehensive, agreed programme of work that will result in increased opportunities and support for unemployed Plymouth residents to move into sustained jobs.

Author	Mike Page
Department and service	Children's Services – Education, Participation & Skills
Date of assessment	14 th February 2021

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information (eg data and feedback)	Any adverse impact See guidance on how to make judgement	Actions	Timescale and who is responsible
Age	The average age in Plymouth (39.0 yrs.) is about the same as the rest of England (39.3 yrs.), but less than the South West (41.6yrs). Of the 16 SW authorities we have the third lowest % of older people (75), the sixth highest % of working age people and the fifth highest % of children and young people (under 18). Under 18s account for 19.8% of our population within this 17.5 % are under 16. As of March 2013, there are estimated to be 479 (6.9 %) young people aged between 16 and 18 who are NEET. The proportion of the working age population (16-64) is higher (66.1%) than regionally (62.8%) and nationally (64.7%).	No adverse impacts anticipated	None	N/A
Disability	A total of 31,164 people (from 28.5 per cent of households) declared themselves as having a long-term health problem or disability (national figure 25.7 per cent of households), compared with the total number of people with disabilities in UK (11,600,000).	No adverse impacts anticipated	None	N/A
Faith/religion or belief	<ul style="list-style-type: none"> Christianity: 148,917 people (58.1 %), decreased from 73.6 % since 2001. Islam: 2,078 people (0.8 %), doubled from 0.4 % since 2001. Buddhism: 881 people (0.3 %), increased from 0.2 % since 2001. 	No adverse impacts anticipated	None	N/A

	<ul style="list-style-type: none"> Hinduism: 567 people (0.2 %) described their religion as Hindu, increased from 0.1 % since 2001. Judaism: 168 people (0.1 %), decreased from 181 people since 2001. Sikhism: 89 people (less than 0.1 %), increased from 56 people since 2001. <p>84,326 (32.9%) % of the Plymouth population stated they had no religion.</p>			
Gender - including marriage, pregnancy and maternity	Overall 50.6 % of our population are women and 49.4 % are men: this reflects the national figure of 50.8 % women and 49.2 % men. There were 3,280 births in 2011. Birth-rate trends have been on the increase since 2001, but since 2010 the number of births has stabilised. Of those aged 16 and over, 90,765 people (42.9%) are married. 5,190 (2.5 %) are separated and still legally married or legally in a same-sex civil partnership. In Plymouth in 2014 average hourly earnings for women (£10.00) were 93 % of average hourly male earnings (£11.82). In Plymouth in 2005, women working full time earned only 81 % of average hourly fulltime male earnings. By 2010 this gap had closed and women were earning 90 %. In 2014 the gap had slightly widened. Across the South West region in 2014 women working full-time only earn 86 % of average full-time hourly male earnings, and for the UK as a whole the figure is 90%.	No adverse impacts anticipated	None	N/A
Gender reassignment	It is estimated that there may be 10,000 transgender people in the UK. There were 26 referrals from Plymouth made to the Newton Abbott clinic, in 2013/14. The average age for presentation for reassignment of male-to-females is 40-49. For female-to-male the age group is 20-29.	No adverse impacts anticipated	None	N/A
Race	92.9% of Plymouth's population identify themselves as White British. 7.1% identify themselves as Black and Minority Ethnic (BME) with White Other (2.7%), Chinese (0.5%) and Other Asian (0.5%) the most common ethnic groups. Our recorded BME population rose from 3% in 2001 to 6.7% in 2011, and therefore has more than doubled since the 2001 census. Recent census data suggests we have at least 43 main languages spoken in the city, showing Polish, Chinese and Kurdish as the top three. Four neighbourhoods have a population of school age children where 20% or more are from a BME background. They are City Centre (38%), Greenbank and University (32.3 %), Stonehouse (29.9%)	No adverse impacts anticipated	None	N/A

	<p>and East End (23.4%). There are 1867 school children (over 5 years old) that speak English as an additional other language.</p> <p>The 2001 Census records that there were 4328 people from the A8 and A2 Accession Countries resident in the City. Of these 2332 recorded their country of birth as Poland, with 57 % arriving between March 2006 and 2008.</p>			
Sexual orientation - including civil partnership	<p>There is no precise local data on numbers of Lesbian, Gay and Bi-sexual (LGB) people in Plymouth, but nationally the government have estimated this to be between 5 – 7% and Stonewall agree with this estimation given in 2005. This would mean that for Plymouth the figure is approximately 12,500 to 17,500 people aged over 16 in Plymouth are LGB.</p>	No adverse impacts anticipated	None	N/A

STAGE 3: ARE THERE ANY IMPLICATIONS FOR THE FOLLOWING? IF SO, PLEASE RECORD ACTIONS TO BE TAKEN

Local priorities	Implications	Timescale and who is responsible
Reduce the gap in average hourly pay between men and women.	Keep Plymouth Working will focus on supporting people into work and developing with new skills. Thus providing women with employment and upskilling opportunities which will potential reduce the gap	Ongoing – EP&S
Increase the number of hate crime incidents reported and maintain good satisfaction rates in dealing with racist, disablist, homophobic, transphobic and faith, religion and belief incidents.	None	N/A
Good relations between different communities (community cohesion)	This will focus across all communities in the city and will be accessible to all.	Ongoing – EP&S
Human rights Please refer to guidance	Inclusive upskilling and employment opportunities to all our residents, particularly those deemed as vulnerable or most disadvantaged.	Ongoing – EP&S

STAGE 4: PUBLICATION

Responsible Officer

Date

Head of Skills & Post 16

14th February 2021

Strategic Director, Service Director or Head of Service

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Cabinet



Date of meeting:	08 March 2022
Title of Report:	Plymouth Green Finance Opportunity
Lead Member:	Councillor Patrick Nicholson (Deputy Leader)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Kathryn Deeney, Head of Environmental Planning
Contact Email:	Kathryn.deeney@plymouth.gov.uk
Your Reference:	220224 Cabinet Report Green Finance Final
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report sets out the scale of opportunity for Plymouth that the emerging green finance markets offer and seeks the mandate to explore further how we can make best use of this new market area to develop sustainable income streams that can support people, nature and the City vision.

The Future Park Accelerator project, funded by Heritage Lottery Fund and the National Trust, has been supporting the Council to transform the way we use, care and value our green spaces. One of the key areas of work has been an investigation into more sustainable income streams to fund our green and blue spaces. This work has particularly focused on the opportunities of the emerging green finance markets.

The scoping work has identified a number of opportunities that have the potential to secure new sustainable funding including;

- Habitat Banking – linked to the new mandatory approach to biodiversity net gain required by the Environment Act for new developments;
- Woodland Carbon Credits – established scheme where carbon from woodlands is traded.
- Blue Carbon – new developing carbon scheme we could pioneer in Plymouth linked to marine habitat restoration.
- Sustainable Urban Drainage (SUDs) – potential payment scheme linked to a new approach to surface water management through the provision of new SUDs features.

It should be noted that the markets are developing quickly so further opportunities may emerge.

After this initial scoping of the market opportunities and ability to provide a credible produce, it is recommended that the first area of focus, in developing a product for the green finance market, is the Habitat Banking Vehicle (HBV). An HBV will represent Plymouth City Council's (PCC) proactive response to the emerging market for biodiversity net gain (BNG), supporting policy which will be mandated by the Environment Act and implemented through Plymouth's Joint Local Plan. The HBV has the ability to delivery Plymouth's environmental objectives aligned with our City vision and enable equitable access to nature for our communities.

Further work to investigate these opportunities and to develop the Habitat Banking Vehicle Fund can be funded by the Future Parks Accelerator Programme, with minimal cost to PCC.

The proposal to further investigate options and develop the HBV therefore offers a low-cost, low-risk opportunity for PCC to be a pioneer in this new area of green finance. If successful it will deliver PCC's strategic goals, the growth of the local restorative economy, and improved access to high-quality natural assets. The HBV will also serve as a proof of concept for a new mechanism that can sustainably fund the long-term creation, restoration, and management of parks and natural spaces.

Recommendations and Reasons

It is recommended that the Cabinet:

1. Approves work to further investigate new green finance opportunities, linked to the Council owned green estate and other initiatives that we are leading including the Plymouth and South Devon Community Forest and National Marine Park.

Reason: To ensure we maximise the benefits of being a pioneering Local Authority engaging early with the emerging green finance markets.

2. Approve detailed work on a business case for a Habitat Banking Vehicle – the first opportunity to secure new green financing and present this to Cabinet in summer 2022.

Reason: To ensure that we accelerate work to develop a vehicle to capture the benefits of the new approach to biodiversity net gain that will be mandated by the Environment Act 2021.

Alternative options considered and rejected

Do nothing – This would mean that we do not become a pioneering Local Authority in securing the benefits of the emerging green finance markets. This would mean we did not seek to develop new sustainable funding streams that could benefit people and nature, our ability to meet our net zero ambitions and our requirements under the Environment Act 2021.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Corporate Plan 2021 - 25:

Investigations into developing new sustainable income streams linked to new green financing opportunities could support the aims of the Corporate Plan in the following ways.

Caring for People and Communities

The development of new sustainable income streams would be developed to ensure that our natural spaces can be managed to a high standard and infrastructure to enable people to gain the benefits of getting into nature and being active are maximised. The investigations will also ensure that opportunities to fund climate resilience and carbon reduction measures are maximised. The funds could prioritise investment into our greyest neighbourhoods to ensure green finance opportunities help to reduce inequalities in access to green and blue space.

Unlocking the city's potential

The new emerging green finance markets provides a significant opportunity for Plymouth to be a pioneer nationally and to help demonstrate and fund our commitment to being a green, sustainable city that cares about the environment.

New income streams could help meet our net zero carbon ambition, maximise the benefits of our own green estate and deliver a cohesive approach across the City in line with duties set out under the new Environment Act 2021.

This approach could also unlock investment into the city's natural spaces providing job creation and security and providing a platform for skills development in Environmental Planning, Landscaping and Ecology.

Implications for the Medium Term Financial Plan and Resource Implications:

Financial modelling and resource implications will be a key area of focus for the next stage of work, if the mandate is provided to proceed.

There is a real opportunity to deliver new sustained investment and revenue streams for the City providing greater capacity and resource to manage and enhance our green estate as well as building expertise and opportunities for partners, organisations and individuals across Plymouth to manage the natural environment for the benefit of nature and people.

Any proposal that comes out of the further investigations will need to ensure that its operating model is self-financing ensuring that there is sufficient capacity to deliver a new funding model.

Financial Risks

There are no financial risks as a result of the recommendations as they are mandating further work. Further reports as a result of the work recommended will full set out financial implications.

Carbon Footprint (Environmental) Implications:

The proposals all support potential new income streams that would directly support carbon reduction aims, increase biodiversity and enable the city to be more resilient to climate change. The full details of the environmental gains would be provided in detail in further reports once the recommended work is complete.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

It is anticipated that new green finance opportunities could deliver a more sustainable and proactive approach to management on the PCC estate and natural spaces across the City. This will benefit communities through having improved access to higher quality nature sites building on the existing value of £188m that the City's park and green spaces provide to the City each year.

The increased investment could over time reduce liability for the Council by improving ability to manage tree risk and ensure site infrastructure is better maintained.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? No – this will be conducted as more specific funding and investment opportunities are developed.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	220224 Plymouth Green Finance Briefing Paper							
B	Equalities Impact Assessment (if applicable)							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	djn.21 .22.28 3	Leg	MS/I/ 3807 8	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Anthony Payne, Strategic Director for Place											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 24/02/2022											
Cabinet Member approval: Councillor Patrick Nicholson (Deputy Leader) Date approved: 28/02/2022											

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PLYMOUTH GREEN FINANCE BRIEFING PAPER



Background

In 2019 Plymouth City Council secured funding and resources as part of the Future Parks Accelerator (FPA) programme. The FPA programme is a pioneering joint venture between The National Lottery Heritage Fund and the National Trust designed to find new ways to manage and fund parks and open spaces across UK cities. In Plymouth the project was designed to transform the way the City used, valued and cared for green and blue spaces. One of the main areas of focus was developing a new sustainable funding model for green and blue spaces. To support us the FPA funded Finance Earth to work alongside us. Finance Earth is the UK's leading impact investment advisor and fund manager specialising in investment in the natural environment.

As part of the FPA work a scoping review was conducted of new environmental financing opportunities and products we could develop at an accelerated pace in Plymouth. This has led to an understanding of the scale of opportunities linked to the developing green finance markets.

Plymouth Natural Spaces - Constraints and Opportunities

Plymouth's natural capital is a key component in delivering the City vision as it can support growth and the social and environmental wellbeing of the city. However, nationally investment in the environment is fragmented, grant led, small-scale and often provided on an ad hoc and short-term basis. In addition, local authority revenue budget pressures mean there continues to be a significant reduction in finance available to maintain and improve green spaces. In order to improve outcomes for communities and nature, additional sources of sustainable funding are required that can be focused in a strategic manner that meets the needs of the City, rather than having to be focused to meet funders requirements.

As a City we have bold ambitions for the future of our green and blue estate. We have already shown policy leadership by implementing biodiversity net gain ahead of national policy under the Plymouth and South West Devon Joint Local Plan. The City has also committed to carbon neutrality by 2030, has invested in our natural spaces where funding has been available and has a strong track record of securing external funding and delivery credibility. Plymouth is also very fortunate as it has over 1600ha of green space as well as Plymouth Sound National Marine Park on the doorstep. This provides a significant opportunity to engage with the new green finance markets as we have a diverse mix of habitats and spaces.

Emerging Market Opportunities

Through a strategic review of opportunities the following have been identified and recommended for further investigation:

- **Habitat Banking** – linked to the new approach to biodiversity net gain required by the Environment Act. Funding secured through the sale of ‘biodiversity units’ as part of a developing habitat banking market linked to the new requirements of the Environment Act 2021.
- **Woodland Carbon Credits** – established scheme where carbon credits from woodlands is traded and could form part of the Plymouth and South Devon Community Forest model.
- **Blue Carbon** – new developing carbon scheme we could pioneer in Plymouth linked to marine habitat restoration. If marine habitats can become carbon accredited, like terrestrial habitats, carbon credits could be sold.
- **Sustainable Urban Drainage (SUDs)** – potential payment scheme linked to a new approach to surface water management, delivering new SUDs features throughout the City.

It should be noted that the markets are developing quickly so further opportunities may emerge. Due to the speed of the developing markets and the opportunities they offer for Plymouth, particular if we take early adopter benefits, it is recommended that we continue to develop these opportunities further.

Having reviewed each of the opportunities, looking at investment readiness, demand for product and policy context, the Habitat Banking Vehicle has been identified as an opportunity we could progress rapidly.

Habitat Banking Vehicle (HBV) – the First Opportunity

The Environment Act mandates that new developments must deliver a ‘net gain’ for biodiversity. Biodiversity offsetting is expected to be a key mechanism for the delivery of this ‘net gain’. Under DEV26 of the Joint Local Plan, ‘net gain’ is already mandatory for large projects in Plymouth and South Devon.

‘Biodiversity Offsetting’ is a term used to describe the creation or restoration of a habitat to compensate for the negative impact of changing land use. With the passage of the Environment Act 2021 through Parliament, an emerging market for biodiversity offsetting has begun to develop across England. The creation of an HBV represents a proactive response to this emerging market. The project partners are aware of other activities nationally seeking to develop approaches to biodiversity net gain. Plymouth is however uniquely placed to design and develop a HBV that will provide a blueprint for a best practice ‘gold standard’ approach to biodiversity net gain.

Under this approach, biodiversity offset habitats/projects are funded by the HBV, delivering for nature and providing a service for local developers to efficiently comply with their planning obligations.

This approach also offers several other key benefits including:

- Delivery of high-quality natural space in advance of impact, reducing risks and providing upfront benefits to developers;
- Enabling joined-up, proactive, landscape-scale planning for people and nature;
- Supporting the planning process for local developers, with ready-made, high quality offsets;
- PCC and partners are able to set a gold standard to combat a 'race to the bottom' in local offsets and safeguard equitable access to nature;
- Development of strong partnerships working with aligned local eNGOs to support wider natural environment projects;
- Creation of high quality, green jobs with long term security; and
- Ring-fencing of long-term funding streams for maintenance and enhancement of Plymouth's natural spaces.

To ensure the HBV supports the City vision by securing new investment and long term maintenance funding for our natural spaces a fully detailed business plan is required. This will look at the legal structure of the HBV entity, demand and supply, full costings for the HBV, costs per biodiversity unit and sites that could be part of the HBV model. It is proposed that this is developed in full and presented to the Cabinet in the summer.

Summary and Recommendations

The emerging green finance markets, Plymouth's significant and diverse natural spaces and the detailed knowledge and understanding of all the natural assets in the City means we are perfectly positioned to be a nationally pioneering Local Authority engaging with green finance markets. This first mover advantage is something we can secure if we accelerate work in this area. Further work to investigate these opportunities and to develop the Habitat Banking Vehicle Fund can be funded by the Future Parks Accelerator Programme, with minimal cost to PCC. It is therefore recommended that Cabinet:

1. Approves work to further investigate new green finance opportunities linked to the Council owned green estate and other initiatives that we are leading including the Plymouth and South Devon Community Forest and National Marine Park.

Reason: To ensure we maximise the benefits of being a pioneering Local Authority engaging early with the emerging green finance markets.

2. Approve detailed work on a business case for a Habitat Banking Vehicle – the first opportunity to secure new green financing and present this to Cabinet in summer 2022.

Reason: To ensure that we accelerate work to develop a vehicle to capture the benefits of the new approach to biodiversity net gain that will be mandated by the Environment Act 2021.

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