



#### **Oversight and Governance**

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## **NATURAL INFRASTRUCTURE AND GROWTH SCRUTINY PANEL – PRESENTATIONS PACK**

Wednesday 9 July 2025

2.00 pm

Warspite Room, Council House

## **Natural Infrastructure and Growth Scrutiny Panel - Presentations**

- |           |   |                        |
|-----------|---|------------------------|
| <b>6.</b> | <b>Economic Insight and Intelligence:</b>   | <b>(Pages 1 - 4)</b>   |
| <b>7.</b> | <b>Productive Growth and High Value Jobs Update (Economic Strategy Pillar 1):</b> | <b>(Pages 5 - 14)</b>  |
| <b>8.</b> | <b>Freeport Annual Update:</b>  | <b>(Pages 15 - 30)</b> |

# Plymouth Economic Intelligence Brief – July 2025



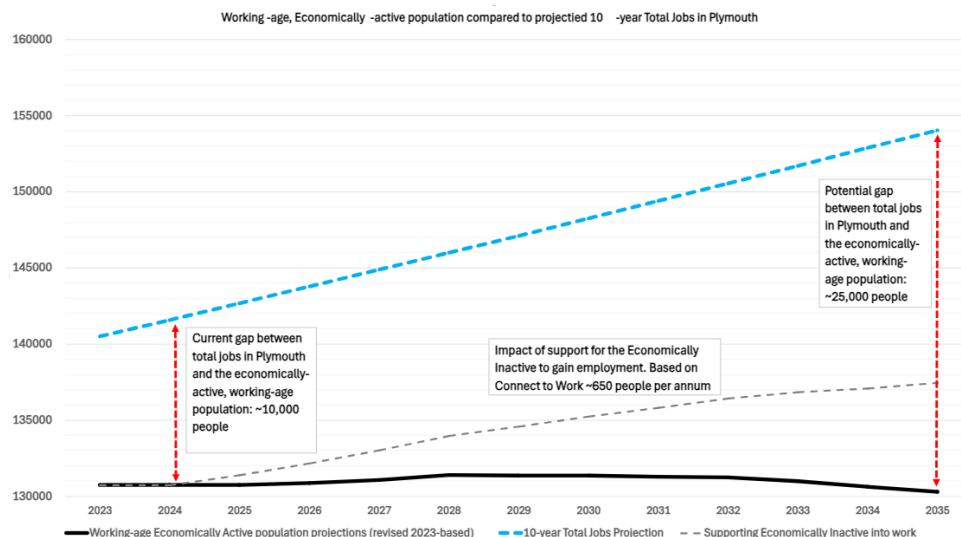
# Plymouth and the UK's Industrial Strategy



- **Plymouth has consistently seen high levels of job vacancy advertising and moderate wage increases in recent years** (yet still remaining under regional and national wage averages), thus **reflecting a tight labour market**.
- The recently published 'The UK's Modern Industrial Strategy' highlights **Plymouth's key strength in the Defence sector and the opportunity to create a growth dividend from the announced £4.4bn defence investment**.
- Plymouth has also recently been designated the **UK's national centre for marine autonomy**.
- AMORE modelling estimations:

Sector	GVA	FTE	GVA/FTE
Marine	£822.9m	13697	£60,080
Defence	£390.9m	6414	£60,950

# Workforce Analysis

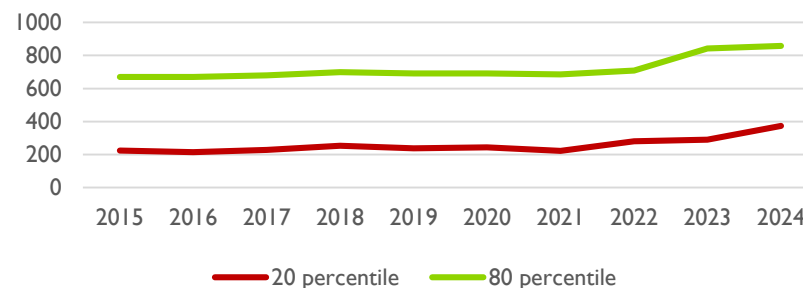


- Median weekly pay has increased over the last decade by 35.1% to reach £572.60 in 2024.
- The highest earners have seen a growth of 1.8% in the last 10-years.
- Lowest earners have seen a growth of 28.1% in the last 10-years.

- The 10-year labour market projection shows an increasing of the gap between Plymouth's projected workforce and the number of jobs needed in the city.
- This gap is projected to increase by 15,000, resulting in a gap of 25,000 people in 2035 if no market interventions were conducted.

Page 3

Weekly gross pay for Plymouth (workplace analysis) - 20th and 80th Percentile



# Productivity growth and Highly Productive Sectors



- Plymouth's labour productivity remains below the national average (81.1% of the UK's average (2023)). However, the city's nominal GVA per hour worked has increased from £27.9 (2021) to £34.0 (2023).
- One reason for this is likely due to labour constraints (e.g. skills shortages) that will slow the city's relative productivity growth.
- There is clear overlap between the key sectors highlighted in the UK's Industrial Strategy and Plymouth's productive sectors.

Sector	FTEs	GVA	GVA per FTE
Advanced Manufacturing	16,215	£1,052.4m	£64,900
Creative Industries	3,126	£133m	£42,625
Business Services	15,338	£1,311.1m	£123,000
Marine and Defence	20,110	£1,214m	£60,080

# **Productive Growth and High Value Jobs Pillar – Scrutiny Update 9.7.2025**





# 1 of 4 Pillars in our Economic Strategy



- Political Lead - Cllr Tudor Evans
- External Lead - Prof. Richard Davies
- PCC Officer Lead – Nina Sarlaka





# Our Universities – Prof. Richard Davies



Our value  
proposition  
to the city  
and region

- Supporting **economic growth and prosperity**
- Leading **research, innovation and skills** in key sectors  
- defence, marine, health, environment, creative industries
- Extending the City's **international dimension** - bi-lateral activities and students from c.130 countries, operations in four continents
- Raising **aspiration and opportunity** for disadvantaged young people
- **Championing Plymouth** as a place to live work and study

# University of Plymouth Contribution



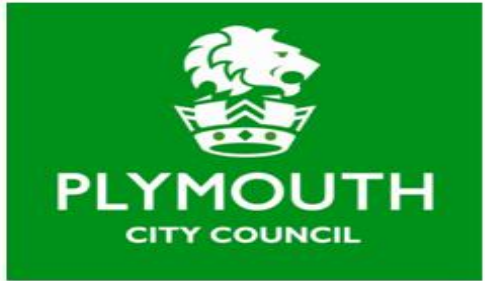
- **Innovation Taskforce/Board**
  - Strategic lead for innovation in the city, chairing the PGB Innovation Taskforce and the GAP Marine Innovation subgroup
  - Delivering commercialisation of knowledge and ideas, raising productivity, attracting/retaining talent, and accelerating growth and international competitiveness
- **Sectors:**
  - Marine and Defence - COAST, Maritime Simulation and Cyber-SHIP Labs plus proposed AMTech
  - Advanced Manufacturing - Plymouth Electron Microscopy Centre, Composites Engineering Lab
  - Health and Health Technology – e.g. The Plymouth Health Determinants Research Collaboration (PHDRC); BRICS.
  - Creative and Immersive Digital – e.g. creative technologies, digital storytelling and immersive (VR/AR) experience design, digital fabrication technologies
- **Encouraging Innovation, Business Growth and Investment**
  - Support for Business Start-Ups via The Cube
  - Knowledge Transfer Partnerships (KTPs)
  - Access to facilities and equipment e.g. Babbage Building Digital Fabrication and Immersive Media Laboratories and learning spaces as well as cultural and civic engagement spaces e.g., Moot Court and Foulston Room (The Box)
- **Skills and Workforce Development**
  - Extensive range of undergrad, postgrad, degree apprenticeships, CPD and bootcamps

# Our City-wide Projects Relevant to this Pillar – Nina Sarlaka



- 16 Projects across 3 Investable Themes (Defence Sector and Devonport, The Waterfront and Maritime and The North of the City)
- Wide stakeholder leadership of projects
- Various stages of development/execution
- Governance and monitoring – kick off meeting later this month

# The Projects (I)



Investable Theme	Project Area	Project Name	Lead Organisation
<b>Defence Sector and Devonport</b>	<b>Oceansgate, Innovation and Business Support</b>	Supporting local supply chain initiatives	Devon Chamber
		Building the Oceansgate Innovation Barns	Plymouth City Council
		Supporting the SW Defence and Security Cluster	Plymouth City Council
		MOD - Establishing the Maritime Autonomous System Centre of Excellence	Ministry of Defence
		Strengthening the interface between business and research	University of Plymouth
		Developing the skills work with Babcock and the MoD	City College Plymouth

# The Projects (2)



<b>The Waterfront and Maritime</b>	<b>PASD Freeport</b>	Supporting and maximising the impact of PASD Freeport	PASD Freeport
	<b>Autonomy and Innovation</b>	UoP Establishing an Advanced Marine Technology Hub (AMTechHub)	University of Plymouth
		Growing Smart Sound Plymouth	Plymouth Marine Laboratory
		Supporting and engaging with Maritime UK SW	Maritime UK SW
		Creating an Innovation Taskforce	University of Plymouth

# The Projects (2)



<b>The North of the City</b>	<b>Health-tech, Life Science and Healthcare Sectors</b>	Growing the health-tech, life science and healthcare sectors	Plymouth Science Park
	<b>UHP NHS Trust Supply Chains</b>	Strengthening supply chains for UHP NHS Trust	UHP NHS Trust
	<b>Manufacturing Sector</b>	Supporting our manufacturing sector (city-wide)	Plymouth Manufacturer’s Group
	<b>Tech Sector</b>	Supporting our tech sector (city-wide)	Plymouth Culture
	<b>Start-ups and Entrepreneurs</b>	Supporting our start-ups and entrepreneurs (city-wide)	Plymouth City Council

# Call to action



Scrutiny Members are encouraged to visit [www.investplymouth.co.uk](http://www.investplymouth.co.uk) to:-

1. See our '10 Reasons to invest in Plymouth' here [10 reasons to invest in Plymouth | Invest Plymouth](#)
2. See our business relevant news here [News | Invest Plymouth](#)
3. See and sign up to our vibrant our bi-weekly business newsletter here [Newsletter archive | Invest Plymouth](#)
4. Have a look at our extensive library of sector factsheets and business facing marketing collateral here [Resources | Invest Plymouth](#)



# Thank you and Questions?



# **Freeport Annual Update**

## **to the Natural Infrastructure and Growth Panel**

**9 July 2025**



# 10-Year Modern Industrial Strategy

## Long term Government plan for economic growth

Freeports brought under the banner of Industrial Strategy Zones to:

1. Create investible sites and places.
2. Land investment and support local businesses to invest.
3. Grow clusters and support local economic growth.

We are doubling down on Freeport gateway sectors that are also IS-8 sectors:

- ✓ Defence, Clean Technologies & Advanced Manufacturing

Plus, catalysing the two other aligned Freeport gateway sectors:

- ✓ Marine & Space



# The Defence-Focused Industrial Strategy Zone

## Growth Alliance Plymouth – doubling down on defence

### Contributing to GAP's innovation priorities, focussing on:

- Defence and security
- Supporting the Continuous At Sea Nuclear Deterrent (CASD)
- Monitoring and protection of Critical Underwater Infrastructure
- Accelerating innovation in advanced marine autonomous technology.

*Freeport worked with GAP partners, led by Plymouth City Council, on the Government ask for a 10-year investment programme to develop new technologies and capabilities focused on marine autonomy.*

### This includes:

- Behind the wire defence innovation park.
- Defence/ Dual-Use Innovation Service and business grant programme.
- Investment in Plymouth SMART Sound
- Freeport Overseas Investment Programme.
- Feasibility & Options Report for an Advanced Marine Technology Hub.
- Acceleration of the SW Defence and Security Cluster.
- Simplified Regulatory Structure and Assurance for Marine Autonomy.
- Defence Skills and Training Programme.

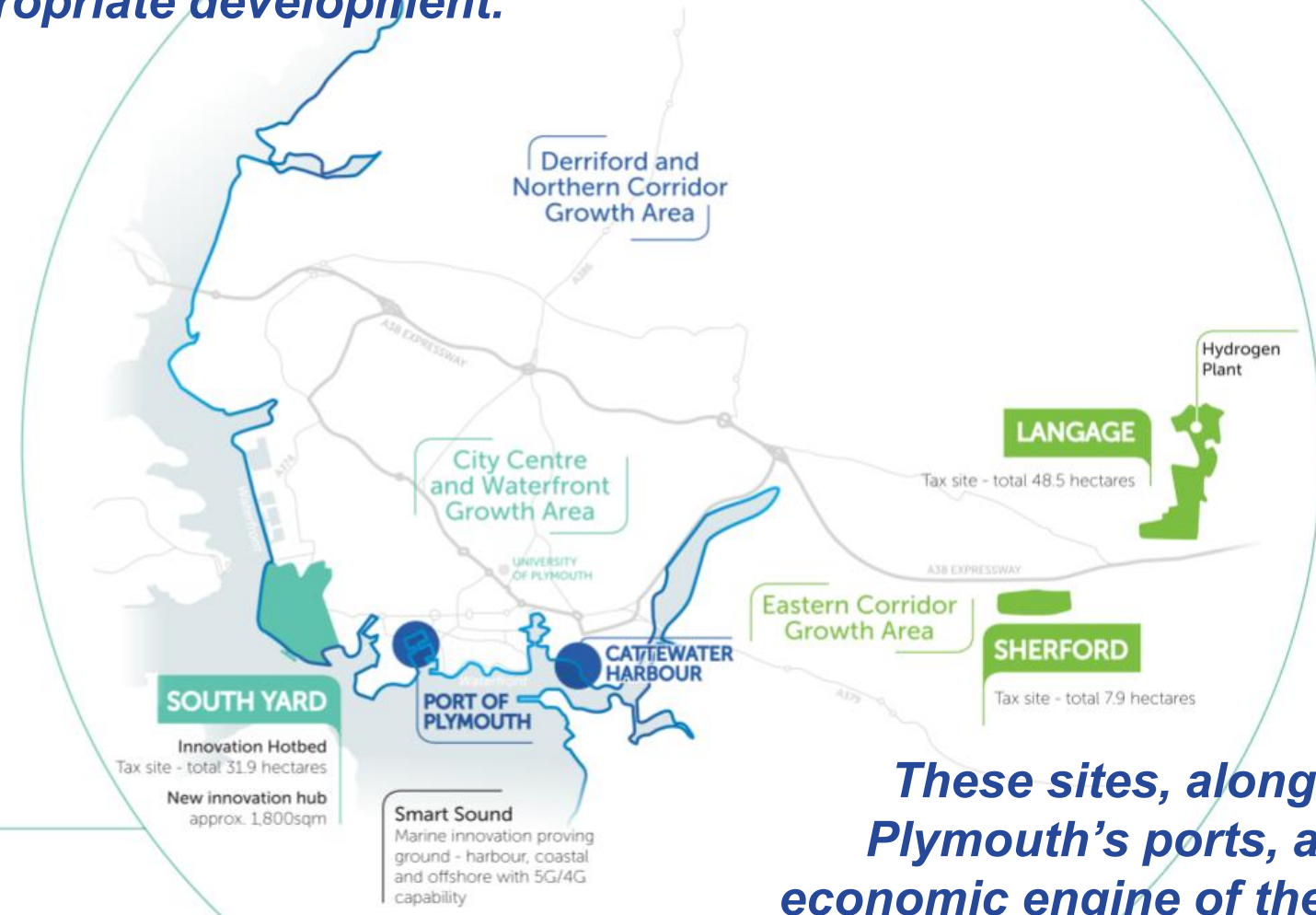
*Freeport also commissioned a marine autonomy research project in collaboration with PCC following the Government's designation of Plymouth as the UK's National Centre for Marine Autonomy.*



***PASD Freeport's three Tax Sites at South Yard, Langan and Sherford were carefully selected by the local authority partners with the aim being to encourage investment and appropriate development.***



South Hams  
District Council



***These sites, along with Plymouth's ports, are the economic engine of the Freeport and the focus of activity.***

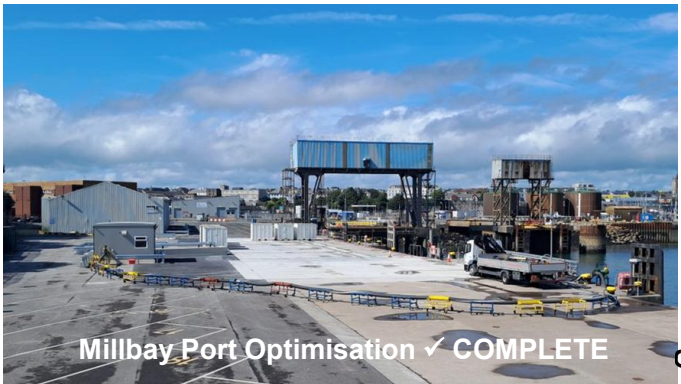




# Seed Capital Investments

## £25m seed funding + £47.2m local match

Sponsor	Project	Seed Funding Allocation	Public Match	Private Match
Tax Site 1: South Yard and Ports				
Plymouth City Council	Innovation Units	£3.556m	£3.344m	
Princess Yachts	Factory Extension	£0.315m		£6.807m
Associated British Ports	Port Optimisation	£1.3m		£6.052m
Cattewater Harbour Commissioners	Port Enhancements	£0.382m		£0.382m
Tax Site 2: Langage				
Plymouth City Council	Beaumont Way Units	£4.0m	£5.1m £8.269m £6.02m	
Devon County Council	Phase 1 a Spine Road Extension	£4.0m		
Devon County Council	Pedestrian and Cycle Bridge	£4.519m		
Langage Energy Park Ltd	Core Infrastructure	£0.925m		£1m
Langage Energy Park Ltd	Plot Access Road	£0.8m		£0.85m
Tax Site 3: Sherford				
South Hams District Council	Land Assembly	£3.7m	£4m	
Sherford Consortium	Access Road/Core Infrastructure	£1.2m		£5.4m
Programme Management				
Freeport Company	Strategic Programme Management	£0.303m		
		<b>£25m</b>	<b>£26.733</b>	<b>£20.491</b>



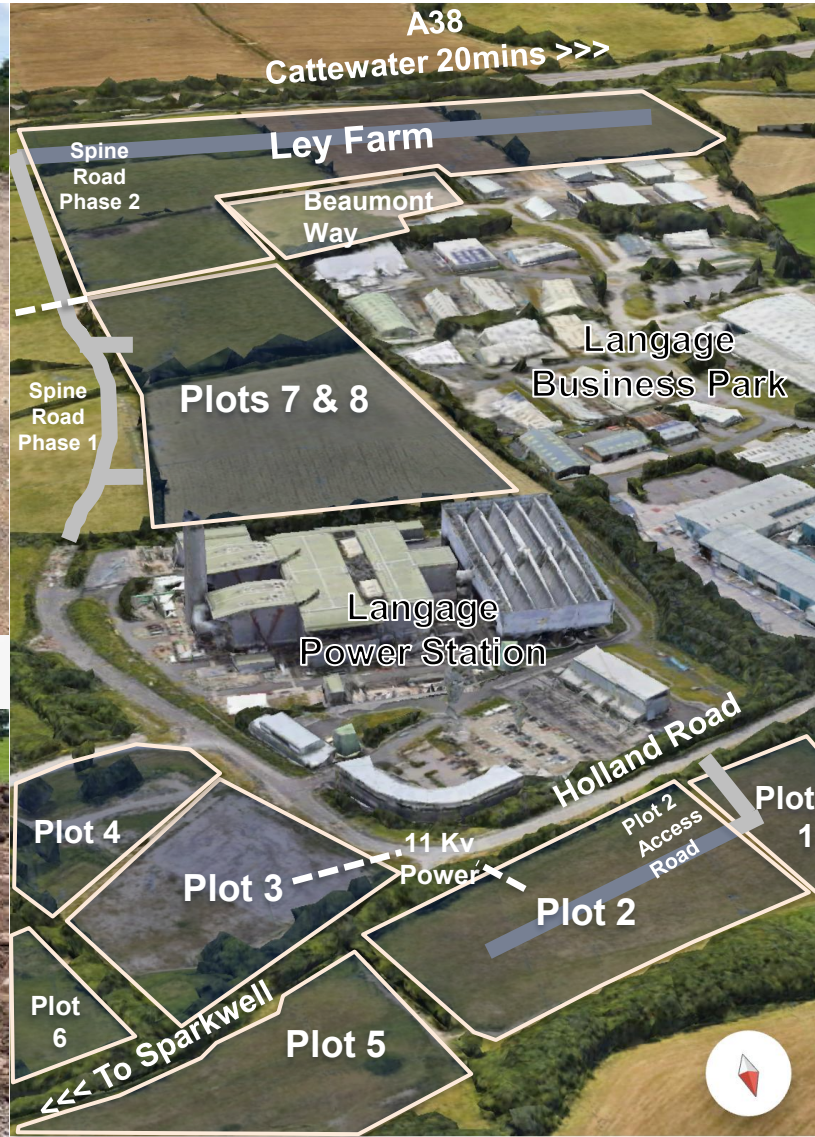




# Langage: Creating an investible Tax Site



Spine Road Phase 1







# Beaumont Way – PCC Direct Development

## Swift progress on site – completing this autumn



### Work completed in June:

- Roof & wall cladding to all units.
- Ground floor slabs all to Units 1, 2 & 4 with Unit 3 to be cast in the period.
- All office slabs.
- Drainage works.
- Masonry walls to all office areas.
- Intumescent paintwork to office & warehouse areas.
- External slabs.
- Drylining has commenced on ground of all units.
- Window installation progressing well to all units
- First fix M&E progressing well to all units including Solar PV.

### Work due to be undertaken by the end of July:

- Warehouse masonry to Unit 3 & party wall to Unit 1 & 2.
- Remaining kerbs, drainage to service yards to Units 3 & 4.
- External slabs to Units 1, 2 & 4.
- Windows & curtain walling to all units.
- Stud partitions to Unit 1, 2 & 4.
- Commence partitions to first floor office areas.
- Install Solar PVs to Units 1 & 3.
- Warehouse decoration to steelwork and masonry.

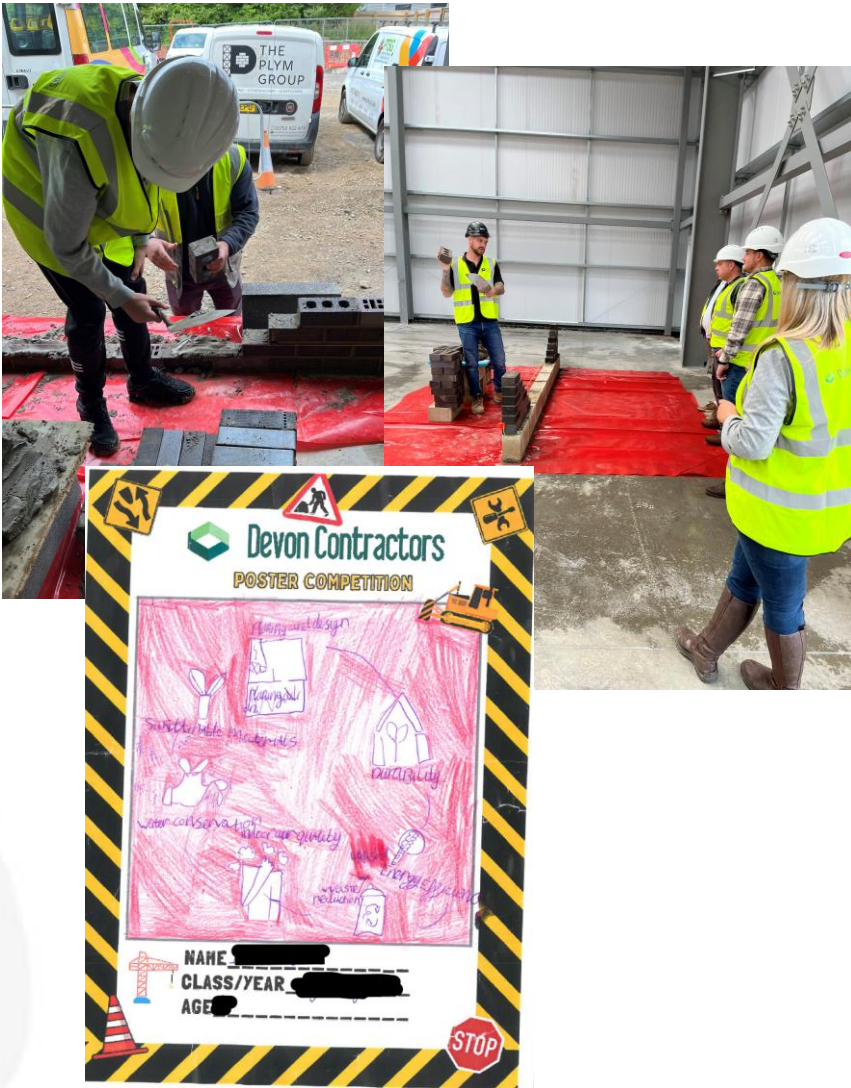




# Devon Contractors delivering at Beaumont Way

## Exceeding social value and engagement targets

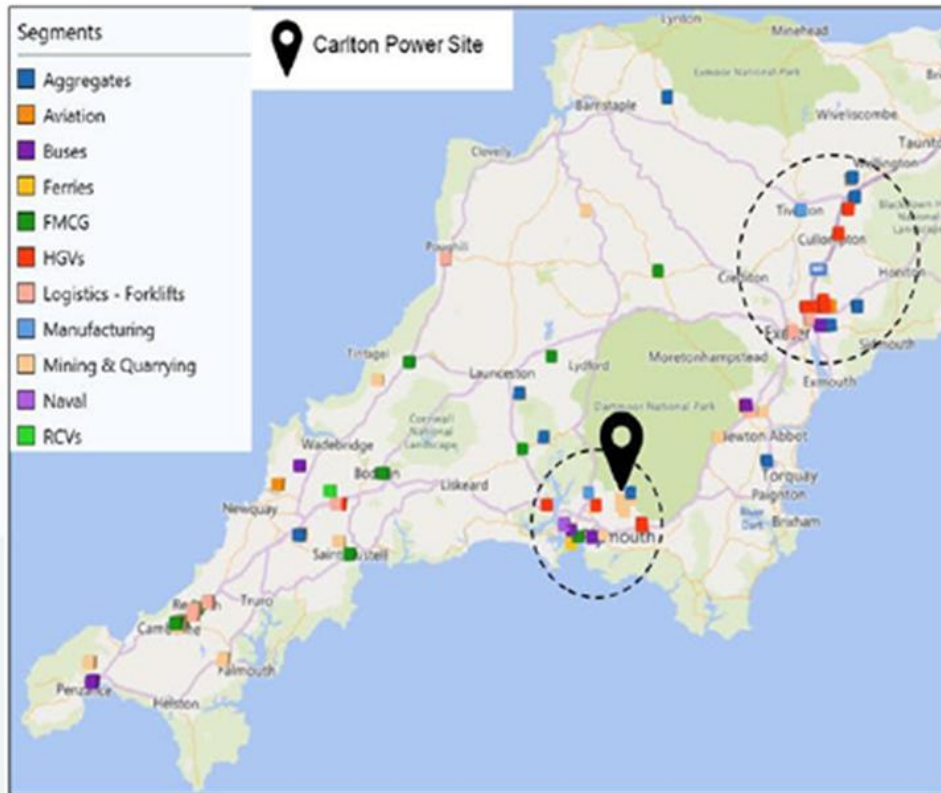
Activity	Standard target	DC target	Achieved to date	Pipeline
Work placements	2	7	7	✓
New jobs created	4	4	4	✓
Careers info, advice & guidance	2	7	8	✓
Training weeks	157	160	145	15
Qualifications	13	15	11	4
Training plans	3	7	5	2
Case studies	2	5	5	✓





# Langage Green Hydrogen

## Off-taker study to support £multi-million investment



- Carlton Power secured funding in Round One of the UK Government's Hydrogen Allocation Round (HAR1).
- Capital investment JV between Carlton Power and Schroders Greencoat to build a green hydrogen production facility in the Freeport's Langage tax site.
- The Freeport team commissioned a hydrogen demand analysis for the South West.
- Off-takers identified from hard-to-decarbonise industries.
- Early adoption (pre-2030) most likely from Fast-Moving Consumer Goods sector, with discussions taking place with an international dairy operator.
- Over time (into 2030s/ 40s) demand from maritime (including defence) and commercial transport sectors predicted to increase.



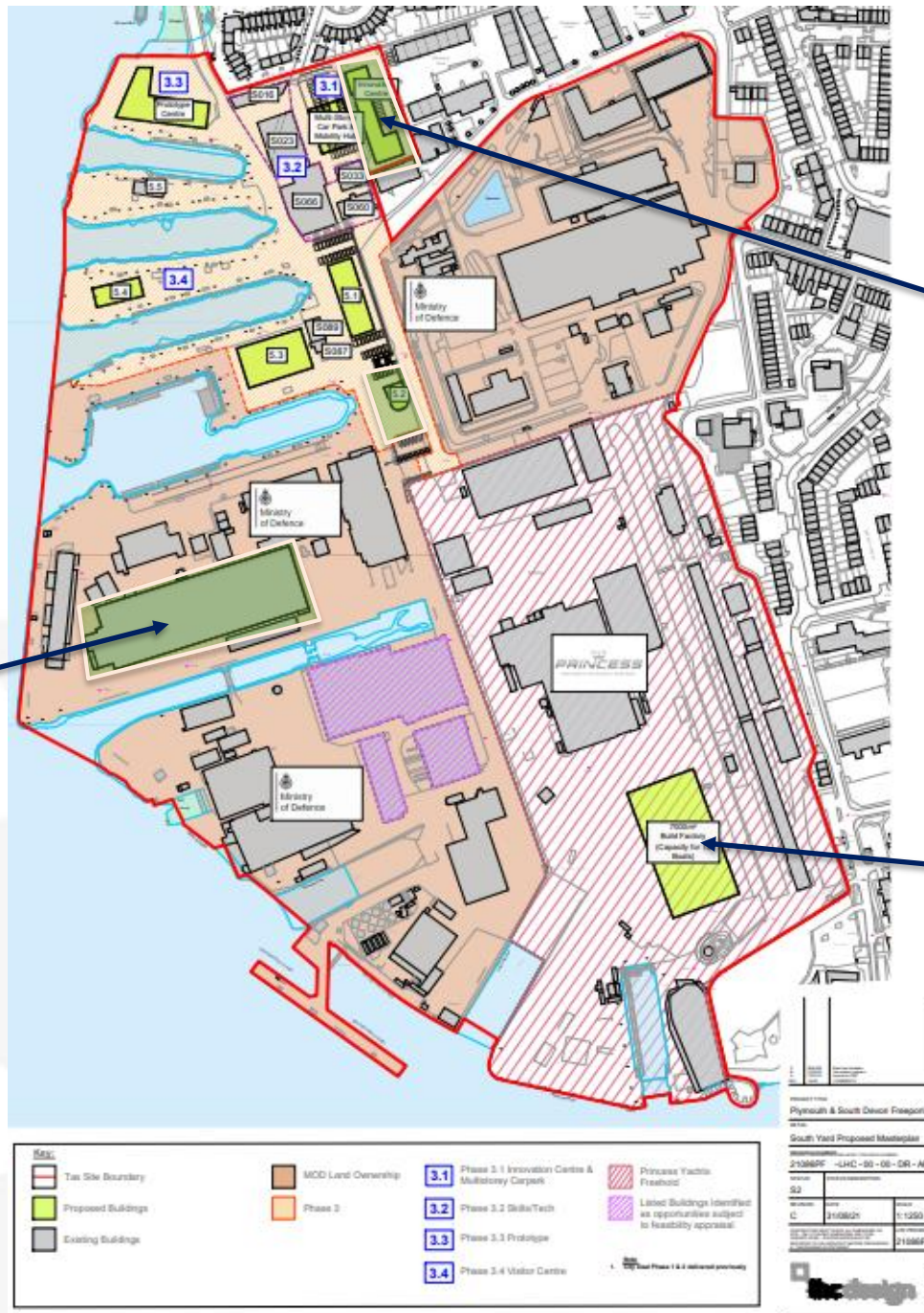


# South Yard: Early Wins

*The only Freeport with a  
behind the wire Tax Site and  
focus on Defence.*

## Babcock Production Facility

- Operational April 2024.
- 70 Jackal 3 HMTs for British Army. 53 more ordered. 90 new jobs.
- In partnership with Supacat.



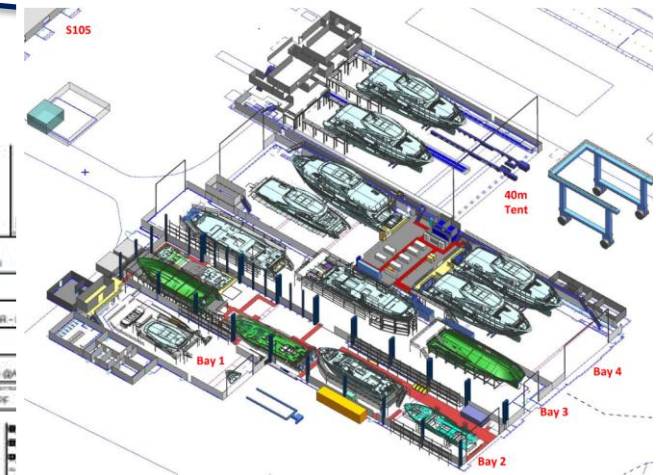
## Oceansgate Innovation Barns

- £3.556m seed/ £3.344m match.
- PCC development.
- Planning approved 8 units c80-113 sqm.



## Princess Yachts Growth

- Factory extension.
- £0.315m seed/ + £6.8m match.







# Plymouth's sub-sector hotbed of innovation

## The National Centre for Marine Autonomy

- ✓ Anchoring a powerful national hub combining cutting-edge tech, strategic defence alignment, and world-leading research.
- ✓ Positions Plymouth to lead future developments in autonomous marine systems for civil, defence, and commercial applications.

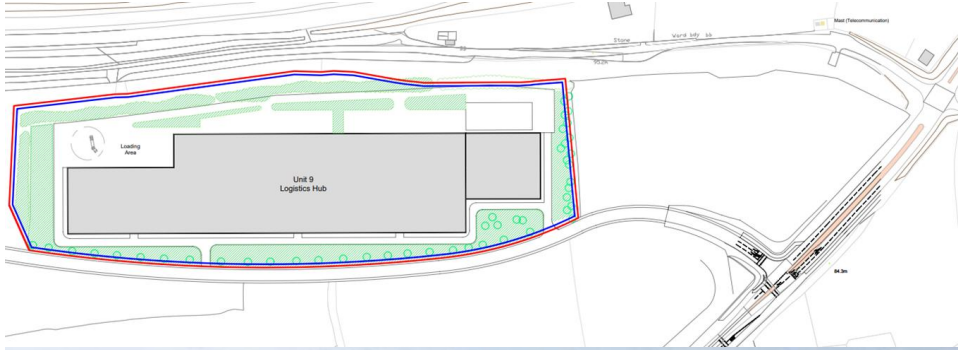
*The Freeport is working in support of this defence growth agenda by advising on the optimisation of landowner investments in critical infrastructure and marketing space across the Freeport for investment.*





# Sherford:

## Securing the Tax Site for defence growth



### Land Assembly

- £3.7m seed + £4m match.
- SHDC secured land for Freeport purposes.
- Defence end use.

### Road & Core Infra

- £1.2m seed + £5.4m match.
- Sherford Consortium will accelerate delivery of this key infrastructure to support end user timeline, starting onsite September 2025.
- Includes power, drainage, and earthworks.

### End User Engagement

- Freeport Compliance Agreement forms part of the option to buy agreement with the intended end user, ensuring Freeport outcomes are delivered when the option is triggered.





# Babcock: Delivering the Defence Dividend

## Supporting investment zones

*“Babcock is a key player in the ... Freeport ... we have utilised the South West site to produce Jackal vehicles with local SME Supacat ... which has led to facility expansion and job creation within the Freeport’s South Yard. We are now looking to create an **Integrated Logistics Hub** and **Advanced Manufacturing Facility** within the Freeport ... creating further employment opportunities and maximising benefits from the Freeport while freeing-up vital estate on site at the dockyard.”*



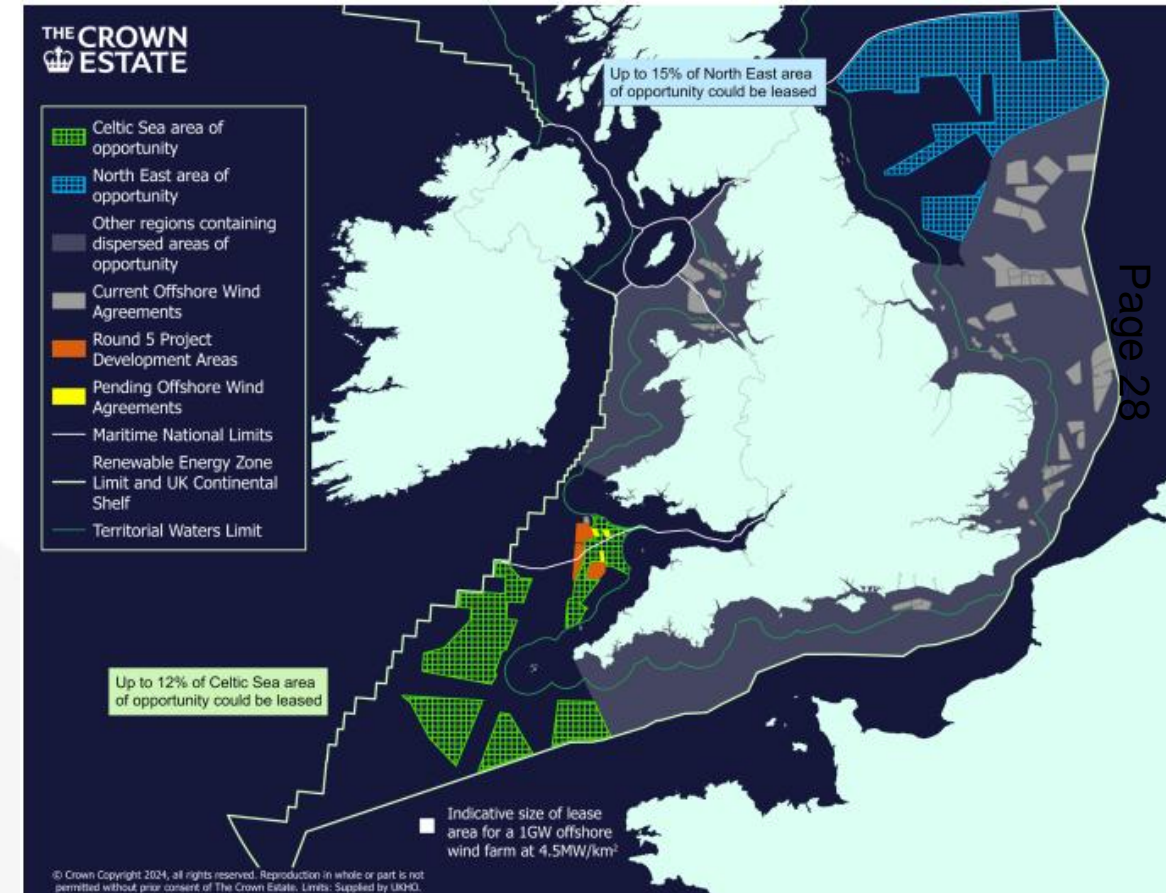




# Plymouth named as a potential FLOW port

## Possible strategic supportive role for the Celtic Sea

- Bidders to The Crown Estate's Round 5 FLOW tender process put forward a range of ports which are in relative proximity to the Celtic Sea. These were:
  - Milford Haven
  - Swansea
  - Port Talbot
  - Bristol
  - Plymouth
  - Falmouth
  - Brest
- Strong potential for Port Talbot and/ or Bristol to play a key role in delivery.
- Other ports, including Plymouth, have potential to play a strategic supportive role in winning Bidders' multi-port execution strategy.
- Freeport maintaining engagement with ports and bidders to ensure the FLOW opportunity for Plymouth remains under consideration.





# Forward focused on supply and demand

## Four demand drives to enable growth

### ➤ Drive 1 – Developers

Landowners, Developers, End Users, etc.

### ➤ Drive 2 – Local Growth

Babcock, Princess, etc.

### ➤ Drive 3 – New Business

New Anchors, Supply Chain, etc.

### ➤ Drive 4 – Partnerships

GAP, Universities, Ports, Freeports, etc.

### Gateway Sectors:

Defence, Clean Technologies, Adv Manu (IS-8)  
+ Marine & Space





**Thank you.**  
**Any questions?**

**[www.pasdfreeport.com](http://www.pasdfreeport.com)**