

Growth and Infrastructure Overview and Scrutiny Committee

Wednesday 12 July 2023

PRESENT:

Councillor Bingley, in the Chair.

Councillors Carlyle, Gilmour, Goslin, McLay, Noble, Reilly (as substitute for Councillor Tuffin), Salmon, Sproston, Stevens, Stoneman and Tippetts.

Apologies for absence: Councillors Partridge and Tuffin.

Also in attendance: Councillor Tudor Evans OBE (Leader of the Council), Ian Cooper (Operations Manager, PASDF), Kat Deeney (Head of Environmental Planning), David Draffan (Service Director for Economic Development), Elaine Hayes (National Marine Park Interim CEO), Sharon Mercer (Head of Strategic Programmes), Anthony Payne (Strategic Director for Place), Nina Sarlaka (Inward Investment and Enterprise Manager), James Whitelock (Head of Oceansgate Infrastructure) and Hannah Whiting (Democratic Advisor).

The meeting started at 2.00 pm and finished at 3.48 pm.

Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

1. **To note the appointments of the Chair and Vice-Chair for the Municipal Year 2023 - 2024**

The Committee agreed to note the appointment of Councillor Richard Bingley as the Chair and Councillor Ian Tuffin as the Vice-Chair for the municipal year 2023-24.

2. **Declarations of Interest**

The following declarations of interest were made by Councillors in relation to items on the agenda:

Name	Minute Number	Reason	Interest
Councillor Richard Bingley	6	He worked in Cyber Security which was mentioned in the risk report.	Pecuniary

3. **Minutes**

The Committee agreed the minutes of the meetings held on 21 February 2023 (Call-In) and 1 March 2023 as a correct record.

Councillor Salmon asked for the update mentioned in minute 89i could be re-shared with committee members.

4. **Chair's Urgent Business**

There were no items of urgent business.

5. **Growth and Infrastructure Overview and Scrutiny Committee Terms of Reference**

The Committee agreed to note the Growth and Infrastructure Overview and Scrutiny Committee Terms of Reference.

6. **Risk Update**

Ross Jago (Head of Governance, Performance and Risk) provided an update on the risk register and highlighted:

- a) A new risk report would be agreed at the Audit and Governance Committee at the end of July 2023 that would then go to the September 2023 meeting of Growth and Infrastructure Overview and Scrutiny Committee;
- b) Risk number 6 – Insufficient economic performance to sustain the City's economy and growth plans – was the only risk relevant to the Committee at that time, and was covered in that meeting by the agenda item on the Freeport.

In response to questions it was highlighted:

- c) The approved plan was to move toward a new MTFP (Medium Term Financial Plan) which would go before Council in September 2023 and Performance Scrutiny would lead on that work;
- d) A glossary would be added in the future to explain the acronyms.

The Committee agreed to note the report.

7. **National Marine Park Update and Horizon Bid Stage 2 Submission**

Councillor Tudor Evans OBE (Leader of the Council) introduced the report and highlighted:

- a) The National Marine Park (NMP) was one of only 5 projects in the UK to have secured over £10 million from The National Lottery to celebrate their 25th anniversary;
- b) The past year had been spent testing, and getting feedback on, the ideas that were in the original bid;

- c) The NMP had worked with 27 schools and 7,000 school children and had reached millions more people through digital engagement;
- d) There had been 42 community events including Big Blue Splash, school archaeology camps, swim safe, art sessions, NMP open weekends and more as well as having a volunteer programme;
- e) 57% of attendees at events had come from the target audiences;
- f) Feedback demonstrated that the people of Plymouth liked and believed in the NMP and wanted to engage;
- g) Marine citizenship was a birth right and it was important to try and remove the barriers that people faced, reconnect them to the sea and change their behaviours;
- h) There were plans to restore waterfront gems with 21st Century twists at Mount Batten, Mount Edgumbe and Tinside;
- i) There would be a new National Marine Park Festival and a new large-scale community engagement programme with 5 digitally immersive events.

Kat Deeney (Head of Environmental Planning), David Draffan (Service Director for Economic Development) and Elaine Hayes (National Marine Park Interim CEO) added:

- j) Important to invest in the waterfront so people could access the water, it was important to engage with people across the city, particularly in the north and west of Plymouth;
- k) The digital approach would be important to engage people with what was happening below the water;
- l) The garden battery at Mount Edgumbe was not accessible at that time but would be turned into a heritage centre;
- m) Access to the Mount Batten Tower would be improved, as well as the public realm in front of the Mount Batten Centre.

In response to questions it was explained:

- n) Councillors would continue to receive a calendar of events and activities to share with residents to keep them involved;
- o) If there were any schools that wanted to work with the team on engaging with the project, they should get in touch and a list of schools that the team were engaging with would be shared with Councillors;
- p) A 'teach the teacher' programme would run alongside the schools programme with the aim of giving teachers the knowledge, tools and

confidence to run sessions on the NMP and to have a teacher in every academy that would lead on this work;

- q) It is important to use the funding to bring unused gems back into use through the project, such as the garden battery at Mount Edgcumbe;
- r) The digital immersive approach aimed to give everyone access 'under the water' without getting wet;
- s) A digital asset bank would be built to be used in different places and spaces to engage as many people as possible with the NMP;
- t) The Mount Batten Centre improvements would allow them to increase the number of young people they could engage with improved changing rooms, an improved pontoon for disabled access and increase their offer of both residential and day trips and increase their revenue stream;
- u) Engagement with younger people through youth patrols found that most reacted positively and engaged with rangers, so it was important to find ways of engaging them with the NMP through the ranger program and encouraging them into volunteer and work experience roles;
- v) Water quality was important to the NMP but there was a limit to what the Heritage Fund could cover, but the NMP was working with South West Water on issues with their systems to improve water quality in Plymouth and continuing to promote the NMP and people engaging with the NMP would support this;
- w) There was a creative approach to fundraising to support the work, and to use grants to create income streams to make the project sustainable;
- x) The NMP would play an important part in the tourist economy of Plymouth.

The Committee agreed to:

1. Note the project progress since the last report;
2. Endorse the approach to the delivery phase bid of the NMP Horizons project and support submission of the bid in September 2023;
3. Request that the project team return at regular intervals during the delivery stage to update on the progress of the project.

8. **Freeport Annual Update**

Councillor Tudor Evans OBE (The Leader of the Council) introduced the Freeport update report and highlighted:

- a) The Freeport was a continuation of themes already present in Plymouth such as net-zero, good growth, green investment, well-paid jobs and innovation;
- b) The Freeport could be used to unlock national opportunities, including pursuance opportunities like Celtic Array and the importance to improve the national grid, also a priority of the Great South West;
- c) Carlton Power's 10MW hydrogen hub project at Langage, was the first of its kind in the South West and was earmarked to enter operation in 2025 and would help Imerys and Sibelco achieve their sustainability goals;
- d) Babcock had a £40m contract in partnership with Devon defence vehicle designer and manufacturer Supacat, which would deliver 90 new jobs and enable Babcock to expand its operations in the Freeport's South Yard tax site, with an initial order to manufacture 70 'Jackal' military vehicles;
- e) ABP Port Improvements would utilise £1.3m of Freeport seed capital, plus private sector match, to facilitate higher volumes of freight and increase short sea shipping potential;
- f) Capital Programme Funding of £55m included 2 new Council direct developments at Oceansgate and Langage;
- g) Private sector investment was expected to reach nearly £250m which would bring the total investment to over £300m;
- h) The Freeport was planning for 3,584 jobs from inclusive starter roles through to high value technical roles; 2,745 would be jobs that would pay above the average wage;
- i) 10 % of jobs created would be filled by inactive claimants and people registered unemployed, and 300 to 500 people would be upskilled per annum.

Ian Cooper (Operations Manager, PASDF), Nina Sarlaka (Inward Investment and Enterprise Manager), James Whitelock (Head of Oceansgate Infrastructure) and David Draffan (Service Director for Economic Development) added:

- j) A run through of the PASDF (Plymouth and South Devon Freeport) governance structure, posts filled and an update on plans to fill the remaining vacant roles;
- k) The centrepiece of the ambitious net zero agenda was the green hydrogen plant which included the 10MW plant at Langage which Carlton Power was

bringing forward;

- l) In the original business case for the Freeport, the Council's part of that had included an innovation centre, a substantial scheme for which £7.2m of seed capital had been secured, but it needed an additional £10m of levelling up funds, but this was unsuccessful so the project at Oceansgate had had to be re-scoped considerably to ensure the seed funding from Freeport was used;
 - i. The seed funding would be split between the project at Oceansgate and another at Langage which had planning consent;
 - ii. The development at Oceansgate would consist of workshop units over 1,700sqm using £3.2 million of the seed funding and approximately the same in service borrowing;
 - iii. The development at Langage would be known as Beaumont Way and was planned to be 4,615sqm (around 3 times the size of the Oceansgate development) and would be soon ready to go out to tender;
 - iv. Combined, the two schemes would come close to achieving the job creation goals promised through the Freeport;
- m) The investment strategy was running parallel with the capital programmes to establish an international hub for trade and supporting businesses to bring forward custom site at their premises within the Freeport outer boundary was a key priority;
 - i. One business in the defence sector had a custom site near ready to activate in Autumn 2023, a second innovative electronics/technology manufacturing company had commenced their HMRC application and three other companies had submitted, or intended to submit their expressions of interest to HMRC;
- n) The trading investment pipeline across all three sites was shown and it was positive that there was demand from the Freeport's key sectors of marine and defence;
- o) A second resident company in South Yard in marine autonomy that was a global innovation lead that worked on contracts with the UK and US defence departments would be announced in the following weeks that would create a further 30 well-paid, highly skilled jobs;
- p) Fortnightly meetings were held to discuss the trading investment pipeline attended by the Freeport team and representatives from the three local authorities, and these meetings fed into the quarterly trade and investment

subgroup;

- q) The Freeport was about opportunity, growth and supporting the deprived communities of Plymouth.

In response to questions it was reported:

- r) The possibility of whether a small number of the roles that could go to people registered unemployed could go to care experienced young adults would be explored;
- s) Ian Cooper would speak to Carlton Power about the specifics of the electricity used to power the hydrogen plant outside of the meeting and provide an update to be circulated to members;
- t) Any areas that required over 5% of additional jobs was identified as a challenge to achieve and the area with the biggest challenge was shipbuilding;
 - i. The PASDF were working with partners in Plymouth and local FEHE partners to identify the gaps in skills, support and promote the relevant institutions to build a pipeline of talent;
 - ii. Princess Yachts and the Freeport had worked with Plymouth City College to improve the availability of carpenters;
- u) PASDF was engaging in a number of forums, attended by freeports from around the country that had been established by central government to facilitate learning and crossover applications, as one of the overarching principles of UK freeports was to not function in competition with one another but to support each other and share knowledge, all with the goal of boosting UK PLC and economic growth;
- v) PASDF had led on a range of issues including Net Zero and continued to work with a campus-approach to leverage existing talent and expertise and focusing that on marine autonomy research and development;
- w) Part of the gateway criteria for each of the companies the PASDF were looking to have at their sites, was around their existing and future plans for apprenticeships and work experience, and Tina Brinkworth (Head of Skills and Post 16) contributed to the skills team at the Freeport, also engaging with the successful skills launch pad in Plymouth;
- x) PASDF was, at that time, promoting the custom opportunities available to businesses within the out boundary of the Freeport and had aligned their activity with the Chamber of Commerce and Plymouth Manufacturers Group, as well as updating the Freeport website to better explain the customs

benefits and process;

- i. Benefits included imports coming in from overseas being exempt from tariffs whilst they remained in the tax site;
 - ii. Raw materials could be manufactured to add value and if they were re-exported outside of the UK, no tariff would be paid;
 - iii. Businesses holding a lot of inventory in in warehousing could have tariffs held in suspension if it was held within the customs site to unlock or ease cash flow and move productivity forward;
- y) Lobbying would be taking place to change timelines for benefits as the Freeports were affected by the COVID19 pandemic, something most Freeports agreed on;
- z) There were a number of models of customs operator and the one in the outer boundary was particularly for individual site businesses, which was being explored with a number of potential operators at Langage and Sherford.

The Committee agreed to note the report.

9. **Work Programme**

The Committee agreed to:

- a) Combine the items Sustainable Transport in the City, Bus Service Delivery and Improvement in the City, and Non-Commercial Bus Route Service Reductions into one item and look at the BSIP (Bus Services Improvement Plan);
- b) Look at the BSIP as part of a larger item on Transport Provision in Plymouth;
- c) Add an item on Water Quality with contributions from South West Water and to look at micro plastics in industry run-off;
- d) Add an item on The Box;
- e) Hear from local artists on how they are supported by the Cultural Plan;
- f) Move Chelson Meadow Solar Farm item to be scheduled for 2024/25 due to delays in the supply chain that had consequently caused significant delays to the project;
- g) Add an item to hear more about Green Investment and the Plan for Growth;

- h) Add the NMP Strategic Plan to the work programme;
- i) Refer the Taxi Select Committee to the Performance, Finance and Customer Focus Overview and Scrutiny Committee;
- j) To add the Adaptation Plan and Mitigation Plans to the work programme;
- k) Not schedule the Environment Bill item yet as further clarity was needed from central government;
- l) Not schedule the Commercial Estate, including Plymouth Airport, item yet as there were complex issues surrounding the airport which would mean public scrutiny would be extremely limited at this time.

10. **Tracking Decisions**

The Committee noted the tracking decisions document.