



Oversight and Governance

Chief Executive's Department

Plymouth City Council

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Delegated Decisions

Delegated Executive/Officer Decisions

Delegated Executive and Officer decisions are published every Wednesday and are available at the following link - <https://tinyurl.com/ms6umor>

Cabinet decisions subject to call-in are published at the following link - <http://tinyurl.com/yddrql6>

Notice of call-in for non-urgent decisions must be given to the Democratic Support Unit by 4.30 pm on Friday 29 January 2021 Please note – urgent decisions and non-key Council Officer decisions cannot be called in. Copies of the decisions together with background reports are available for viewing as follows:

- on the Council's Intranet Site at <https://modgov/mgDelegatedDecisions.aspx>
- on the Council's website at <https://tinyurl.com/jhnax4e>

The decisions detailed below may be implemented on Monday 01 February 2021 if they are not called-in.

Delegated Decisions

I. The Leader - Councillor Tudor Evans OBE:

I.a Funding agreement to accept the offer of up to £1,936,000 from the Heart of the South West Local Enterprise Partnership for the delivery of the Plymouth International Business Park project and enabling works for the City Business Park project **(Pages 1 - 36)**

EXECUTIVE DECISION

made by a Cabinet Member



REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER


Executive Decision Reference Number – L25 20/21

Decision	
1	<p>Title of decision:</p> <p>Funding agreement to accept the offer of up to £1,936,000 from the Heart of the South West Local Enterprise Partnership for the delivery of the Plymouth International Business Park project and enabling works for the City Business Park project</p>
2	<p>Decision maker (Cabinet member name and portfolio title): Councillor Tudor Evans OBE, Leader</p>
3	<p>Report author and contact details: Patrick Bowes, Economic Development Manager, T – 01752 304882</p>
4	<p>Decision to be taken:</p> <p>Accept the funding offer of up to £1,936,000 from the Heart of the South West Local Enterprise Partnership Getting Building Fund by way of a signed funding agreement</p>
5	<p>Reasons for decision:</p> <p>PCC has secured funding from the Getting Building Fund to deliver the ‘Plymouth’s Business Parks’ project. The aim of the project is to create new low carbon, Grade A workspace in Plymouth. There are two schemes in this project:</p> <ul style="list-style-type: none"> • The direct development of an underutilised, brownfield PCC owned site at Plymouth International (PI). This site is currently unviable for PCC without grant investment. There is a clear cost value gap; • Capital works at City Business Park (CBP), demolition & ground works, preliminary work to RIBA Stage 3 to create a viable site for construction. <p>Investment in Business Parks meets both an identified demand and provides businesses, particularly SMEs, with a unique and affordable eco-system of services. It supports a close community of like-minded businesses, with tenants benefiting from both business and social networking opportunities. It also responds to the impact of Covid-19 by developing well-located, flexible and appropriately sized workspace to meet ongoing and evolving demand.</p>
6	<p>Alternative options considered and rejected:</p> <p>(1) Do Nothing</p> <p>Whilst this option does not cost anything to deliver, it results in no provision of positive outputs such as</p>

	<p>jobs or supply of new employment space and stimulation of economic growth.</p> <p>The site at PI will remain as a bare land asset and will have the on-going management / maintenance costs associated with it. The site at CBP needs addressing as the building is condemned due to asbestos. It needs to be demolished (full/partial) and left in a condition for future development.</p> <p>(2) Leave to the market (i.e. sell the land at PI for private development) This would give rise to the following drawbacks :</p> <ul style="list-style-type: none"> - No guarantee of increase in supply (i.e. there is an existing market failure due to insufficient private supply) - Limited commercial interest in previously developed land - No guarantee that alternative private sites meets the needs of SMEs - Current well-established SME cluster at CBP will disappear 			
7	<p>Financial implications:</p> <p>PCC will compile and authorise claims for payment. Claims will be compiled by the PMs. Authorisation will be carried out by the PCC appointed Lead Accountant and Compliance Officer.</p>			
8	<p>Is the decision a Key Decision? (please contact Democratic Support for further advice)</p>	<p>Yes</p>	<p>No</p>	<p>Per the Constitution, a key decision is one which:</p>
			x	<p>in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total</p>
			x	<p>in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1million</p>
			x	<p>is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.</p>
	<p>If yes, date of publication of the notice in the Forward Plan of Key Decisions</p>			
9	<p>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</p>	<p>Growing City – Economic growth that benefits as many people as possible; quality jobs and valuable skills</p>		
10	<p>Please specify any direct environmental implications of the decision (carbon impact)</p>			
Urgent decisions				
11	<p>Is the decision urgent and to be implemented immediately in the interests of the Council or the</p>	<p>Yes</p>		<p>(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)</p>

	public?	No	x	(If no, go to section I3a)
I2a	Reason for urgency:			
I2b	Scrutiny Chair Signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
I3a	Are any other Cabinet members' portfolios affected by the decision?	Yes	x	
		No		(If no go to section I4)
I3b	Which other Cabinet member's portfolio is affected by the decision?	Councillor Mark Lowry (Cabinet Member for Finance)		
I3c	Date Cabinet member consulted	9 September 2020		
I4	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer
		No	x	
I5	Which Corporate Management Team member has been consulted?	Name	Anthony Payne	
		Job title	Strategic Director for Place	
		Date consulted	9 September 2020	
Sign-off				
I6	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS70 20/21	
		Finance (mandatory)	PI.20.21.165	
		Legal (mandatory)	MS/24.11.20	
		Human Resources (if applicable)		
		Corporate property (if applicable)		
		Procurement (if applicable)		
Appendices				
I7	Ref.	Title of appendix		

	A	Briefing report for publication						
Confidential/exempt information								
18a	Do you need to include any confidential/exempt information?	Yes		If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below. (Keep as much information as possible in the briefing report that will be in the public domain)				
		No	x					
		Exemption Paragraph Number						
		1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title: Getting Building Fund Business Case Template – Workplace Package Plymouth Business Parks			x				
Background Papers								
19	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> 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. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.							
Title of background paper(s)		Exemption Paragraph Number						
		1	2	3	4	5	6	7
Cabinet Member Signature								
20	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given 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. For further							

details please see the EIA attached.			
Signature		Date of decision	20 January 2021
Print Name	Councillor Tudor Evans, OBE		

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PLYMOUTH BUSINESS PARKS

Acceptance of funding offer from the Heart of the South West Local Enterprise Partnership (LEP) for the delivery of the Plymouth International Business Park project and enabling works for the City Business Park project



Part I Briefing Report

1.0 SCHEME SUMMARY

PCC has secured funding from the Getting Building Fund to deliver the 'Plymouth's Business Parks' project. The aim of the project is to create new low carbon, Grade A workspace in Plymouth. There are two schemes in this project:

- The direct development of an underutilised, brownfield PCC owned site at Plymouth International (PI). This site is currently unviable for PCC without grant investment. There is a clear cost value gap;
- Capital works at City Business Park (CBP), demolition & ground works, preliminary work to RIBA Stage 3 to create a viable site for construction.

Investment in Business Parks meets both an identified demand and provides businesses, particularly SMEs, with a unique and affordable eco-system of services. It supports a close community of like-minded businesses, with tenants benefiting from both business and social networking opportunities. It also responds to the impact of Covid-19 by developing well-located, flexible and appropriately sized workspace to meet ongoing and evolving demand.

2.0 BUDGET SUMMARY AND BUSINESS CASE

The grant of £1,936,967 will address the current viability gap at Plymouth International and lay the foundations at City Business Park.

3.0 REVENUE IMPLICATIONS

As the match-funding for these schemes is already approved in the capital programme, the revenue implications associated with this grant funding are already included within the Medium Term Financial Plan (MTFP). By accepting this funding the council will avoid further revenue intervention for the schemes should costs increase.

4.0 RISKS

Key Risk	Nature of Risk	Mitigation
Generic		
Strategic / Operational		
Outputs not achieved	Forecasting is based on assumptions that are not fully realised	Outputs have been forecast using economic modelling and experience of similar schemes. Maintain robust project management protocols through regular monitoring and review. Remedial action to be taken where necessary
Reputational		
Failure to maximise opportunity for local	The risk is that national companies with no local	Project team will ensure that suitable contractors are invited to quote and

businesses to tender / benefit from contracts	connections / footprint could be appointed for the survey work and construction contract so local workforce will not benefit from these opportunities	tender for the work. Consideration will be given to sub-contracting for contracts of significant value
Financial		
Budget is insufficient to deliver the projects	Budget is based on some assumptions	Close monitoring of budget and effective feasibility work undertaken to ensure that risk areas of the project are investigated thoroughly. Value Engineering will be undertaken PCC will provide gap funding for budget increase that cannot be avoided
Demand for workspaces not as strong as anticipated, resulting in loss of income	New building does not achieve full occupancy due to adverse impacts arising from Covid-19 and future economic shocks	Track record of occupancy at PCC Business Parks is strong. Team will maintain pro-active marketing and support programme as part of economic recovery
Return on Investment is less than expected	Cost over-run / output under-delivery will adversely impact Rol	Maintain robust project management protocols through regular monitoring and review. Remedial action to be taken where necessary

4.0 RECOMMENDATION

It is recommended that the Leader of the Council:

- Approves the briefing note.
- Accepts the funding offer of £1,936,967 from the HotSW LEP as described in the Executive Decision made by a Cabinet Member with appropriate sign offs from PCC Legal, Finance and Democratic Support

The following relates to exempt or confidential matters (Para(s) 3 of Part 1, Schedule 12A of the Local Govt Act 1972). Any breach of confidentiality could prejudice the Council/person/body concerned & might amount to a breach of the councillors /employees codes of conduct.

Document is Restricted

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