

Plymouth Economic Strategy 2024

28/02/2024 - DRAFT

Foreword by Councillor Tudor Evans OBE

The best Economic Strategy takes people out of poverty, we are doing this to raise living standards and improve lives.

Plymouth has long been called a city of potential and over the past ten years of our economic strategy we have made huge tangible strides to realise that potential. We have worked with Government and local partners to invest over £900m in economic development projects. We have delivered a Marine City Deal, secured the South West's only Freeport, created the UK's first National Marine Park and opened one of the UK's most important cultural attractions, The Box. We have retained one of the very best economic development teams in the country of which we can rightly be very proud.

The job is far from done and we have even greater ambition for Plymouth and its citizens as we plan for the next ten years of economic growth and prosperity. This strategy will also respond positively to the global challenges of climate change as we position Plymouth and its workforce to benefit from the Green and Blue jobs of the future. We will continue to build on our strengths and recent successes, focussing on those high value sectors such as Defence, Marine & Manufacturing, whilst supporting new and emerging sectors such as Creative Industries and the development of our ports. We will ensure that our current and future workforce is equipped to benefit from the new high paid jobs.

We will also ensure the benefits of this economic strategy will be felt widely across all of our communities to raise living standards and improve quality of life. We will work hard to ensure those individuals and communities that need help to access new opportunities are fully supported. We will develop our cultural offer and continue to improve Plymouth's city centre and its waterfront.

The way forward is not without challenge; a tight labour market and growing demand for skilled workers, a city centre that needs re-imagining, and the climate emergency.

Plymouth is so fortunate to have such amazing businesses, world-class teaching and research institutions and vast opportunities. Through working together in partnership, we have seen the city grow. Driven by huge investment in our Naval Base we will continue to work together to grow Plymouth. Through this plan we will further realise Plymouth's unique potential as Britain's Ocean City and absolutely make sure that everyone has the opportunity to benefit from the investment ahead of us.

Introduction

Plymouth is a nationally significant urban centre located in the south-west of England and, as 'Britain's Ocean City', few places can rival its rich cultural, natural and built assets. The city has a population of almost 268,000, a real economic output of over £5.4 billion and a growing workforce of almost 120,000 people. Over the past ten years, the development of the Plymouth and South Devon Freeport, social enterprise city status, the first National Marine Park in the UK, and (alongside significant development and cultural place-making) has meant that Plymouth has received clear endorsement of its opportunities. However, the city still faces economic challenges which need to be addressed to realise its long-term ambitions.

This economic strategy sets out how Plymouth will build on its distinctive assets, which include: the largest naval base in western Europe; a vibrant manufacturing and engineering sector employing over 13% of the workforce; a burgeoning creative and cultural sector; one of only 16 critical care teaching hospitals in the UK and the associated Plymouth Science Park.

Vision:

To be one of Europe's most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone.

Aim:

Delivering increased prosperity through sustainable and inclusive growth.

Plymouth's Economic Strategy will form part of the Plymouth Plan through the application of the key strategic theme '[A Growing City](#)'; this includes supporting the vision for quality growth which transforms the city's long-term prosperity. There are specific policies in the Plymouth Plan which this strategy looks to deliver (or contribute to delivery of), further details on this are set out in Annex A. Alongside this, it will also align closely with the Plymouth and South West Devon Joint Local Plan. It also builds on work undertaken by the Local Enterprise Partnership, the Great South West and the neighbouring local authorities.

This Economic Strategy will focus on identifying the successes and challenges facing the city, building on the achievements of the previous plans, whilst also going further to ensure a resilient and prosperous economy. The city has seen many exciting developments over the last few years, the benefits of which are only just beginning to be realised.

Plymouth has a series of competitive economic advantages and unique selling points. We will build on our nationally significant strengths which include:

- Port City with a population of 268,000.
- Largest Naval Base in Western Europe.
- Strong research and innovation base in HE and research institutions.
- SMART Sound, designed for testing and development of pioneering scientific sensors and platforms.
- Large teaching hospital, 48,000 people per week.

- 3 universities with distinct and high-quality provision, more than 23,000 students; University of Plymouth is rated Gold, Arts University Plymouth rated Silver and Plymouth Marjon University rated Gold for Teaching Excellence (TEF 2023).
- City College Plymouth is Gold rated (TEF 2023) for its higher education provision.
- A Government High Potential Opportunity in Marine Autonomy.
- Science Park with 1100 people based in the Centre, working in technology and a developing cluster in Health Technology Innovation and Advanced Digital Manufacturing.
- Nationally recognised for cultural place-making (Theatre Royal Plymouth and The Box).
- Nationally recognised creative industries facilities (Theatre Royal Plymouth's TR2, Production and Learning Centre and the 360 Immersive Dome at the Devonport Market Hall).
- £1bn development and regeneration pipeline.
- Highest density of manufacturing employment in South England – over 13%.

Opportunities for strategic connections across the region:

The Plymouth economy does not operate in isolation - it is a key driver for the local travel to work area and over 100,000 people commute into the city every day for education, health care and work. The travel to work area extends from Cornwall and into Devon. We will work with the business community, County Combined Authorities and the Great South West to ensure regional and national approaches.

This strategy will look to support economic policy which reaches beyond the local authority boundary and extends to a larger scale - these specifically include:

- Defence – Security and Defence Cluster - network covering Great SW area of defence-based businesses.
- Maritime UK South West – network of marine businesses covering the Great South West area.
- Plymouth and South Devon Freeport - building on our unique national capabilities in marine, defence and space to form globally impactful clusters.
- Plymouth Sound National Marine Park.
- South West Health Innovation Alliance.

What has already been achieved:

Since the publication of the Plan for Economic Growth 2020/1 (which was focused on recovery post the pandemic) an enormous amount has been achieved. The six flagships of our previous Plan were Inclusive Growth, Ocean City Infrastructure, Business Growth & Investment, Defence, Learning & Talent Development and Visitor Economy & Culture. Some of the highlights of the previous three years are listed below:

- Delivered £900m of regeneration and created a £1bn future pipeline of investment including Royal William Yard, the Barcode, Range Head Office, Derriford District Centre, Mill-bay, Civic Centre, Hilton on the Hoe, and City Centre Health hub.

- Secured City Deal, Oceansgate, Marine Enterprise Zone Plymouth and South Devon Freeport, Innovate UK maritime and marine launchpad.
- Opened the £47 million Box and flagship new museum and cultural quarter for the city.
- Opened the Devonport Market Hall Dome, an international centre for immersive technology.
- Declared the UK's first National Marine Park, securing over £13 million of external grant funding.
- Developed the Smart Sound, to include a sub-sea element, securing a High Potential Opportunity for Marine Autonomy and a national pilot for regulations testing.
- Plymouth Charter has achieved over 350 signatories committing businesses to fairer and greener future for Plymouth.
- Completed 10 direct developments at Oceansgate, Langage and Derriford.
- Created a £220m property regeneration fund.
- Brought major events to the City including MTV and Sail GP.
- Secured renewals for City Centre and Waterfront BIDs.
- £25m sport led regeneration project at Brickfields with Plymouth Albion, PAFC and Devonport Community Trust.
- Delivered the Resurgam covid economic recovery programme.
- £250m investment by the University of Plymouth's campus masterplan, including new health and engineering teaching and research facilities.
- Became the UK's first Social Enterprise City in 2013

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Our Approach

This Economic Strategy will provide the direction for economic growth over the next 10 years 2024-2034; it will continue to build on the strengths of our previous Economic Development Strategies. This strategy will have an increased emphasis on sustainability and net zero opportunities and also tackle some of specific challenges the city faces, particularly around the City Centre. The approach will include four interconnected Pillars; these are:

1. Productivity and high-value jobs
2. Inclusive Growth
3. Sustainable Growth and
4. Civic Pride and Regeneration

The strategy and the revised four interconnected Pillars will each be supported by detailed 3-year delivery plans. The four delivery plans will list key specific projects, their costs, a development pipeline and, where appropriate, how they will be taken forward - these plans will be completed by March 2025. The delivery plans will be refreshed every three years. Each pillar will be led by a Cabinet sponsor and at least one Plymouth Growth Board member. Each of the delivery plans will be brought to Scrutiny and the Plymouth Growth Board, with final sign off at Cabinet.

The Strategy will work across agencies, partnerships and business networks within the city; these include:

- Devon and Plymouth Chamber of Commerce
- Federation of Small Businesses
- Plymouth Culture
- Destination Plymouth
- National Marine Park
- Plymouth Manufacturers Group
- Digital Plymouth
- Inclusive Growth Group
- Employment and Skills Board
- Building Plymouth
- Plymouth and South Devon Freeport
- Plymouth Social Enterprise Network
- Plymouth Climate Connections
- Plymouth Waterfront Partnership
- Plymouth City Centre Company

SWOT Analysis

Strengths

- Growing workforce with more full-time employees in the city
- Highly developed bedrock sectors of Marine, Defence, Manufacturing and Health
- Lower than national average unemployment rate
- Developed Higher/Further Education sector with 3 universities in the city
- Significant improvement in numbers of individuals with no qualifications – lower than national average.
- Significant creative and cultural sector with world class facilities
- Plymouth Charter

Weaknesses

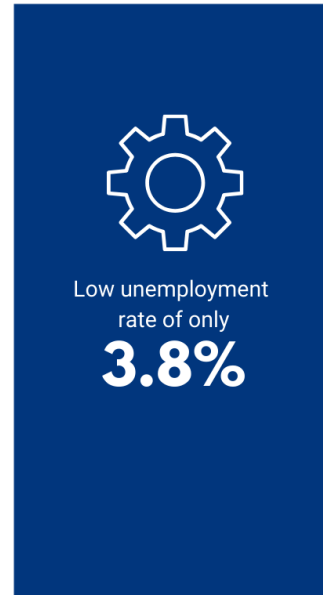
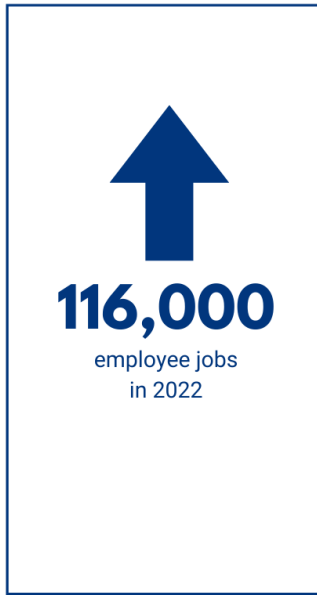
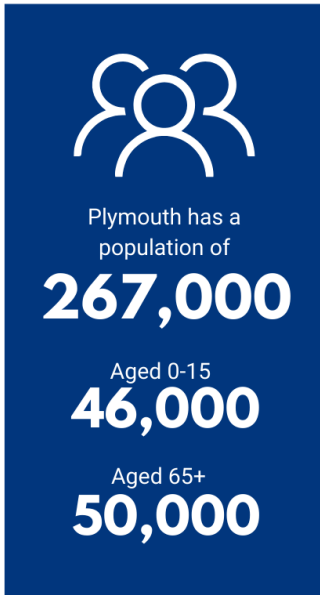
- Overall population growth is slow
- There is a high number of economically inactive residents due to long-term sickness
- Lower than national average wages across workforce
- Large amounts of inequality across the city – 29% of LSOAs in the top 2 deciles for index of multiple deprivation (IDM)
- Strategic approach to support businesses to adapt to Climate Change
- Below national average levels of higher qualifications
- Low housing stock and lack of social, affordable housing

Opportunities

- Floating Offshore Wind Technology (FLOW)
- Net Zero port development
- PSNMP
- Freeport
- Heat networks
- Naval Base Investment
- Automation/Artificial Intelligence

Threats

- Tight labour market and rising numbers of job vacancies could lead to the economy overheating
- Automation/Artificial Intelligence
- Shifting Global Macroeconomics
- Changing Landscapes (LEP fold-in)
- Climate Emergency – cost to the economy
- Construction Inflation
- Supply chain and capacity





Population
267,000
 (2023)

Over 20,000
 jobs in the Marine & Defence sector

Thales/Fugro training within the city
 1 of only 2 Remote Operated Vehicle (ROV) training centres

6,325
 Businesses
 across the City

3 hrs
 by train to
 London

Largest
 naval base in
 Western
 Europe

1st wave
 of Freeports

Net zero
 city by
 2030

UK's first
 National
 Marine Park

Globally
 recognised
 Cluster
 of Marine
 Autonomy

Direct ferry
 to France
 and Spain



3 universities
 and 2 world leading
 research institutions

Over
23,000
 Students

The largest
 specialist teaching
 hospital in the
 South West
 peninsula

Plymouth Smart Sound
 World's first 5G
 marine-focused tested

New Opportunities for Growth over the next 10 years

Plymouth has strong economic foundations that link heavily with the blue economy. This blue economy already creates over \$4 trillion of value worldwide and is expected to be worth an additional £2 billion to the Great South West by 2035. The marine sector in Plymouth is at the leading edge of several key technologies and there are numerous opportunities available that could increase the city's position within global markets. We are working to develop our export potential, including marine autonomy - a global market forecast to be worth \$136 billion over the next 15 years - and our unrivalled opportunities for clean energy production. It is important to identify where new opportunities, technological advancements and societal changes will affect our economy. Our analysis suggests there are several disruptive opportunities for the city, these are explained below:

Green growth – Areas within **Floating Offshore Wind**, particularly around marine Autonomy and surveying, the University of Plymouth Cyber Ship, Training Opportunities at Turnchapel and port deployments from Cattewater – all represent significant opportunities for Plymouth to capitalise on potential supply chain gaps, linked to the Celtic Array.

Heat Network initiatives and local energy production are likely to increase in popularity as energy security and the environmental cost of fossil fuels become ever more of an issue. The shift towards net zero is likely to require a shift in the types of businesses and the skills needed, this will include **retrofitting and installation** and ongoing **servicing** of low carbon heating and insulation.

Defence – Geo-global uncertainties have increased the importance of defence, particularly the nuclear deterrent. Plymouth is home to the largest naval base in western Europe; it is the only place which has the facilities and the capability to base port the nuclear class submarines. The largest private sector employer in the city is Babcock. Ensuring the long-term success of the naval base is closely linked to the economic success of the city, this includes supporting defence-based innovation and skills delivery particularly linked to engineering, manufacturing and nuclear.

Robotics and AI – Plymouth has a significant manufacturing sector which will need to embrace robotic manufacturing and automated manufacturing techniques in order to remain competitive. Plymouth has a growing and nationally recognised cluster in marine autonomy and Marine Artificial intelligence around navigation systems.

Health care – As Plymouth's population ages, more people will require care support and they will consume more health support. Plymouth's large teaching hospital will continue to act as a regional centre of expertise and a significant employer. It is anticipated that healthcare will be increasingly delivered digitally, and health technology will continue to become more advanced.

City Centre and place making – In order to attract people to study, live and work in the city we need a vibrant City. This interlocks multiple players including Destination Plymouth, Plymouth Culture, the City Centre Company and regeneration. It requires significant change in how the city centre business eco-

system operates and requires a shift away from a retail focused economy and instead towards more uses which attract higher footfall and vibrancy. Improving the perception of the city includes building a more positive image of the City Centre.

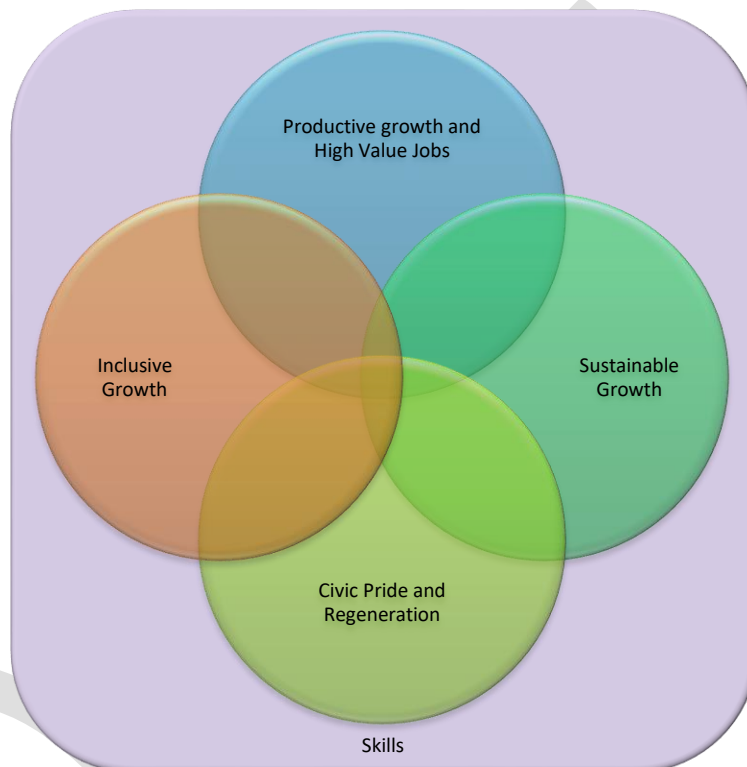
Digital – All sectors will increasingly be built on digital platforms, this includes scope within digital trading, manufacturing, communication and systems. As the workforce becomes increasingly dominated by digitally literate workers, it is key that Plymouth has the digital infrastructure (including cyber security) to continue to support business growth.

Immersive technology – There is an emerging cluster of immersive technology businesses linked to the Devonport Market Hall which, alongside the creative digital sector, the Arts University and Plymouth University, should be encouraged. The Community health facility will open in 2025 in the north of the city and will include an immersive technology facility funded through Plymouth Marjon University.

Importance of Ports – Plymouth has four different ports which each have a different function. Together, they provide international connectivity, opportunities for inward investment around Cruise ships, opportunities to trade and support the defence and fishing sector. Strategically, the ports are key elements to the Cities economic success.

A Proposed Way Forward

Building on Plymouth's economic assets, whilst also considering the challenges within the city, we have identified four pillars of activity within an economic eco-system. In addition to these, we also have a cross-cutting pillar of skills and workforce development, and digital technologies. The four key pillars identified are not separate pillars which operate in isolation. Instead, they overlap and are intertwined; acting symbiotically to build the city's economy. Where an activity contributes to multiple pillars, it has the greatest synergistic impact on the city. Consequently, we will aim to focus activity where the four pillars all support each other and work together.



These interlinking Four pillars are expanded upon below. The rationale for focusing on these four has been developed through analysis of the evidence base and understanding of Plymouth's economy.

I. Productive Growth and High Value Jobs

Productivity provides a useful method for defining the scope of living standards as well as the competitiveness of the economy. Over the long-term, productivity growth, alongside better-quality jobs, is generally accepted as the primary route to higher living standards. Plymouth currently has a tight labour market and through growing the number of higher value jobs this could positively shift the city's economy.

- Productivity is measured using GVA per hour worked. Over the last 10 years there has been a downward trend. Productivity within Plymouth peaked in 2012, with GVA per hour worked rising to 89.5% of the national figure and remained at around this level up until 2017. Since 2017, productivity has decreased consistently, dropping from 88.2% in 2017 to just 81.5% in 2021. Productivity is a good measure

of overall living standards and without growth in GVA per hour worked, it is hard to improve wage rates.

- Plymouth and the South West have consistently held annual gross pay figures below the national average. Despite the 12% increase over the last 10 years, Plymouth's resident annual gross pay still remains over £6,000 below the national average of £33,279 – an 18.1% difference.

Growing Plymouth's productivity is the foundation for improving prosperity for all residents. Through supporting our higher value sectors where we have natural advantage, we will look to increase wages, create additional highly productive jobs, attract new businesses and investment into the city. Focusing on productive growth puts the emphasis on higher-value and higher-quality jobs, supporting both the economy and workforce.

2. Inclusive Growth

Inclusive Growth focuses on growing a prosperous economy that reduces inequality, is sustainable and truly serves the wellbeing of local people. Without targeted actions and a focus on specific areas and groups, there is a risk that too many people find it difficult to access the work and educational opportunities that make the most of their talents and enable them to secure higher value jobs. This has a snowballing effect on health and social opportunities.

- Plymouth also has a significantly higher proportion of economically inactive residents due to long-term sickness; residents suffering from long-term sickness accounts for 35.0% of economically inactive residents in Plymouth. In comparison, the national average is 25.8%.
- Plymouth has 28 Lower Super Output Areas (LSOAs) in the most deprived 10% in England. These LSOAs are home to 46,075 residents (17.6% of the population of the city). Of these, 3,617 residents are living in the most deprived 1% in England. Plymouth is ambitious for and inclusive of all its residents; so, we need to continue to remove barriers that stop some people from accessing well paid jobs and opportunities.

3. Sustainable Growth

Sustainable growth is growth which does not negatively impact the environment, promotes social inclusion, well-being and will help to drive a green economic revolution. Plymouth has an economic strength in the "blue" sectors, the city has strong businesses within this sector, many of which are at the forefront of economic development. Sustainable growth (which does not negatively affect the environment) will be a priority. For Plymouth, this means developing our blue economy and focusing on the progression within marine focused industries.

4. Civic Pride and regeneration

The combination of a tight labour market (i.e. stable population numbers but high numbers of job vacancies) and the city's aging demographics means that it is important to continue to attract new residents, students and workers to the city. Through the Visitor Plan, Culture Plan and City Branding work, led by Destination Plymouth and Plymouth Culture, we will focus on how the

city is perceived by its residents, businesses, visitors and the media. This will ensure that the City has a compelling narrative which can be used to attract businesses, employees and retain graduates.

- Plymouth's population has remained relatively stable since the turn of the century; the average population growth being just 3.19% between 2011 and 2021. When compared to a national population growth rate for England of 6.49% across the same time period, it is clear that Plymouth's population growth is significantly below the national trend.
- Plymouth's population is also ageing, before 2016 the number of children (aged 0-15) exceeded the number of individuals aged 65+. However, beyond 2016 the number of people aged 0-15 has fallen below the number aged 65+. This demonstrates the changes in the demographics of the city's population.
- Historically, overall employee numbers in the city have been relatively stable. However, since 2018, there has been an upward growth trend; rising to 116,000 total employee jobs in the most recent 2022 data. The data shows evidence to suggest that this employment growth has been driven by changes in full-time numbers rather than part-time, with part-time numbers actually decreasing to 2022 despite the growth in total employment.

Plymouth prides itself on being Britain's Ocean City and one of Europe's most vibrant waterfront cities. Supporting strong communities and a sense of place is essential to the cultivation of a vibrant and attractive city to live, work, study, visit and attract investment.

National guidance on economic strategies:

Government has published guidance on folding in LEPs, which includes minimum requirements for economic strategies:

- Analysis of the main underlying competitive advantages and strengths of your area, as well as opportunities for strategic connections across regions.
- Opportunities for growth over the next 10 years, and your vision for what would happen if these opportunities were successfully grasped in this period. Outputs and measurables should include the base line data and targets for growth.
- Your top public and private sector investment priorities - this has to be in the pipeline documents and will be reviewed on a 3-year rotation (but looking at the guidance this will need to be accelerated).

Productive Growth and High Value Jobs

- I. Plymouth has comparatively high employment rates. We are home to three Universities and four internationally renowned research institutions which each have their own research and innovation strengths. We have a plethora of strategic assets; these encompass a diverse range of resources - from the expertise in our Universities to that associated with our port facilities. Despite this, our productivity and wages lack behind national averages.

Through this pillar we will concentrate on driving economic output by focussing on areas where we have natural economic competitive advantages in our key sectors; whether this is clusters, specialisms, knowledge base, assets or skills.

1.1 Our sectors

By supporting the sectors where we have a specific and identifiable advantage, we can increase productive growth and high-value jobs.

1.1.1 Marine and Defence

Plymouth is a globally significant location for Marine Autonomy. We have a unique location – Smart Sound – for autonomous testing, we have key businesses, such as Thales, Frugo, M-Subs and MarineAI, and we have several internationally renowned marine research institutions located in Plymouth. The Plymouth and South Devon Freeport builds on this by focussing on innovation across marine, defence and space. We will support the Marine sector by:

- Developing the Plymouth and South Devon Freeport, which has the potential to create over 3,500 jobs, accelerating well paid job opportunities and progression routes for local people.
- Creating the right conditions to innovate, e.g. by developing a research centre to drive growth opportunities in defence, FLOW and environmental monitoring, supporting the creation of new regulatory frameworks to make innovation easier and supporting businesses to access funding for innovation.
- Supporting our business clusters by supporting cluster networks such as FAST and Maritime UK South West.
- Increasing Inward investment through our High Potential Opportunity around marine autonomy.

Plymouth is home to the largest naval base in West Europe. Marine and defence are some of the largest employment sectors in the city. We are proud of our military tradition and heritage, and we will continue to ensure that Plymouth can play its part in the defence of the realm. Building on the Government's vision for HMNB Devonport, we will work with Government to deliver the through-life maintenance of the Type 26s and Type 31s and retain a significant footprint of Royal Marines in the city.

In addition, we will support the wider defence sector through fostering the Southwest Regional Defence and Security Cluster (SWRDC) and working with our strategic partners in Plymouth to design and embed social value activity across their processes.

1.1.2 Advanced Manufacturing

Plymouth is the largest manufacturing base in the South of England. Businesses located in and around the Plymouth travel to work area cover a diverse range of sectors, which include defence, marine, medical, aerospace, rail transportation, automation, tech, agriculture, construction, food production, household items, and more. Many of the companies are in the field of Advanced Manufacturing, with some attracting foreign direct investment. Long-standing names in this field include Barden, BD, Plessey, Kawasaki, Hellermann Tyton, Olympus to name but a few.

Not only is Plymouth a globally recognised centre for Marine Autonomy, but we also have the largest manufacturing base in the South of England. The manufacturing base has a variety of specialisms from Marine to Aerospace engineering, including organisations such as Plessey and Barden. The University of Plymouth has recently opened the Babbage Building – a £63m state-of-the-art space to inspire the engineering and design pioneers of the future. Working with our business representative groups, such as Plymouth Manufacturers Group, we will support businesses through creating the right business environment and supporting innovation, e.g. through innovation facilities such as the Advanced Digital Manufacturing Innovation Centre and the Digital Reverse Engineering And Metrology facility at Plymouth Science Park.

1.1.3 Health and Health Technology

Plymouth's regional leadership position in health and health technology is unrivalled. We have one of the largest teaching hospitals in England and University of Plymouth is not only the largest provider of healthcare courses in the South West but also the only provider of dental training in the Great South West.

Plymouth Marjon University has a strong history in sport and health-related provision and is growing its nursing and allied health provision in response to employer demand. Overall, close to 20,000 people are employed in the health sector across the city, which includes globally recognised organisations such as K2 Medical and Becton Dickinson. The health technology sector, as a subset of the wider health sector, currently employs 1430 people and enjoys a GVA per FTE of £123,730 (2021), far exceeding the city average.

We will support the development of a health and health technology innovation ecosystem, building on our key innovation facilities, working with research facilities, such as the Brain Research Imaging Centre, Centre for Health Technology and the Derriford Research facility. We will work with partners, such as Health Innovation Southwest, DDRC HealthCare, University of Plymouth and Plymouth Marjon University to enable continued innovation and clinical trials in digital delivery, AI, and automation.

1.1.4 Creative and immersive digital

We have a vibrant creative and immersive digital cluster in Plymouth. Real Ideas Organisation's Market Hall in Devonport is home to a 360 degrees immersive dome – the first of its kind in Europe. We will work with our stakeholders and partners to grow the sector and encourage cross-sector collaboration. In order to attract and retain talent in the city, we will be working with Plymouth Culture on enhancing our creative offering.

We will also develop a new creative industries plan working with Plymouth Culture and partner bodies such as Creative UK, Far SW Immersive cluster, University of Plymouth and Arts University Plymouth.

1.2 Encouraging innovation, business growth and investment

Plymouth's businesses are predominantly SMEs and micro businesses. As a city, we are performing worse in terms of business competitiveness and innovation. To improve our competitiveness, we need to enable all businesses to grow, attract new businesses, as well as encourage new businesses to start-up and grow.

In the last 5 years there has been marked improvement in the start-up rate in the city, reversing a long-term trend. We have some excellent assets supporting start-ups, such as University of Plymouth's Cube, which is ranked No.2 in the UK for student start-up support and has supported 239 student and graduate businesses with a turnover of £3.3m. We will support start-ups by providing the right conditions to grow, including incubation space and supporting initiative such as Plymouth Freelancers.

We will continue to work regionally and nationally with partners such as Great South West, Devon and Torbay Combined Authority and Cornwall Unitary Authority to identify opportunities to deliver at scale and to continue to support the Growth Hub.

We will help local businesses access the right business support through initiatives from organisations such as British Business Bank, Innovate UK and the Department for Business and Trade (DBT).

Having the right mix of employment and commercial space is critical for our business stock to continue to prosper. We will undertake direct development where there is market failure in employment space, using high environmental specifications.

We will work with all three universities, Plymouth Science Park and the Freeport to unlock stalled employment land and create an innovation hotbed where we support high growth businesses and create high value jobs linked to university specialisms.

We will support the development of our Plymouth Science Park and new innovation assets. We will work with innovate UK through the Marine and Maritime Launchpad to access funding and business support.

1.3 Skills and Workforce development

By focusing on productive growth, it is essential that the local training offer meets employer needs in our higher value sectors. This strategy is therefore closely aligned and complements our key local skills strategies, including the updated Skills 4 Plymouth Plan, Local Skills Improvement Plan and the Plymouth & South Devon Freeport Skills Plan. As a result, we are committed to maintaining and growing investment in training local people for employment in these sectors. This includes those who live, work and learn within the city's Travel to Work Area.

To achieve this, we will make best use of existing programmes and take advantage of new funding opportunities. This includes:

- Growing the number of apprenticeships, including at higher and degree level, and supported apprenticeships.
- Raising the aspiration / supporting our young people through the education system to take advantage of all sectors, including high-value such as STEAM and the high value jobs through educations, specifically in FE and HE.
- Driving productivity growth through retraining and upskilling to meet the changing demands of AI and automation.
- Creating and building a programme of incentives to retain graduates.
- Maintaining support / brokerage between people looking for work and employers, including our military service leavers, in well-paid jobs through sector skills partnerships and sector skills academies.
- Collaborating with employers to ensure training is based on their needs.
- Collaborating with employers to support improved workforce development planning that increases the level of upskilling / retraining investment in the current workforce.
- Sustaining and growing our training and research facilities to be a regional and national leader in identified sectors through new sources of funding.

This can only be delivered through collaborative working and working through multi-agency bodies, such as Plymouth Growth Board and the Plymouth Employment and Skills Board.

Inclusive Growth

Growing Plymouth's productivity should enable the development of a prosperous economy that reduces inequality and improves social mobility for all the residents. We will pilot new ways of working to tackle engrained issues. There are endemic problems in Plymouth around this topic. As a result, the aim of this pillar is to increase equality, reduce inequity and create the economic conditions that work for everyone, which all work to address the highlighted issues. We know this has been stubbornly difficult to achieve and so will develop new partnerships and approaches which pull in different expertise from across the pillars and from a variety of agencies:

1. **Targeted focus** - putting our resources into the geographic areas and groups which are the most disadvantaged in the economy.
2. **Good Growth Business Models** - Helping our businesses to make Plymouth a better place for everybody, focusing on "good growth".
3. **Accessing employment opportunities, skills and workforce development** - Working with individuals and employers to remove wider skills and opportunity barriers which affect access to employment, education and socio-economic opportunities, including those in high value sectors.

2.1 Targeted Focus

Plymouth is ambitious for and inclusive of all its residents. We want to help remove barriers that stop some people accessing well paid jobs and opportunities. Persistent low wages are due to a complex set of underlying causes which are often compounded in particular neighbourhoods.

- Plymouth has two LSOAs in the most deprived 1% in England. These LSOAs are home to 3,617 residents (1.4% of the total Plymouth population).
- Plymouth has 28 LSOAs in the most deprived 10% in England. These LSOAs are home to 46,075 residents (17.6% of the population).
- The most deprived LSOA in Plymouth is located in the Stonehouse neighbourhood and is the 163rd most deprived LSOA in England.

Plymouth has a tight labour market, with high employment and businesses reporting difficulty in filling skilled vacancies. It is beneficial to both businesses and the city to help people overcome barriers (including health issues, caring responsibilities, experience, skills and other protected characteristics) and access jobs, thereby increasing the available labour market in the city.

Some groups of people are more likely to be impacted and find it harder to access opportunities, examples include people with health conditions, veterans, people with caring responsibilities, care leavers and other protected characteristics (as defined by the Equalities Act 2010). Inequality is due to a complex set of underlying causes which are often compounded in particular neighbourhoods and groups. We will look at new ways to move the dial, so that people who have inter-generational issues around access to opportunities and have higher unemployment, economic inactivity,

lower average wages and worse health outcomes are able to benefit from the job opportunities in the city. To achieve this, we will:

- Look at new ways to engage, provide tailored support and connect the existing support in new ways.
- We will work across different partnerships to trial new ways to tackle some of these sticky and difficult issues.
- We will work to reduce the wage gap between the richest and poorest in the city.
- There will be a focus on digital inclusion, to ensure people have access to services and ability to access knowledge, expertise and education.
- We will actively pursue creative use of the apprenticeship levy to allow Plymouth to imaginatively use the levy to support young people in disadvantaged neighbourhoods.
- Plymouth has strong links to the armed forces, veterans have key skills, so we will actively support businesses to embrace the armed forces covenant.

2.1.1 People with Caring responsibilities

People with caring responsibilities need good quality, reliable and accessible work. This has historically focussed on women, but this is changing. It increasingly effects both men and women caring for children, elderly relatives, and friends and neighbours. Accessibility to good quality, part time, flexible work is particularly important. Consequently, we will:

- Support the Childcare strategy and promote flexible working practices.
- When looking at new employment spaces we will consider caring facilities.
- Work with businesses to address the gender pay gap and to reduce violence and abuse against women and girls that is often caused by financial insecurity.
- Ensure that there is visibility of good practice in the city.

2.1.2 People with Work-Limiting Health Challenges

Plymouth has a disproportionately high number of people not in work due to health reasons. The two main areas identified are musculoskeletal issues and mental health. Plymouth currently has **15,900 people** not in employment due to long-term sickness which accounts for 9.33% of the working population (GB average is 5.65%). This equates to an additional 6,250 people in Plymouth not able to work. We will engage businesses and their employees in activities to reduce the health inequality gap. In order to achieve this, we will:

- Support Public Health and the Thrive Plymouth programme to address the main lifestyle risks of poor health and early death including exercise and food.
- Support businesses and celebrate businesses with the Wellbeing at Work programmes.
- Work with partners to bring new, accessible health facilities to fruition.

2.2 Good Growth Models

We will embrace innovation to support our businesses, agencies and partners to help make Plymouth a better place. We will provide them with the tools, including frameworks and information, to ensure actions have the biggest impact. We will support the following:

2.2.1 Plymouth Charter

We will celebrate local businesses which commit to the Plymouth Charter. Signatories are businesses who are “committed to a fairer, greener future for Plymouth”.

2.2.2 Social Value

The ‘Social Value Model’ requires a minimum of 10% of public procurements evaluation weighting to be allocated to specific social value criteria. We will provide a social value framework for businesses to navigate actions which will have positive impacts on the city. This tool kit for good growth will be measurable and evidence based; it needs to work across all 4 pillars.

2.2.3 Better Buying

We will support buyers to maximise the multiplier effects through their procurement policies, we will help local businesses access contracts with key institutions. We will also build on the Plymouth and Devon Chamber of Commerce project to increase local procurement, which is good for the local economy, social value and working towards net zero.

2.2.4 Social Enterprises and Co-operatives

Plymouth’s 2019 sector report found that there were 200 social enterprises and community businesses, employing over 10,000 people. Social Enterprise and Co-operative businesses work to reduce inequality. Many operate in deprived areas and with particular communities in need. We will ensure Co-operatives and Social enterprises thrive by providing:

- Business support advice and guidance.
- A Business Relationship Programme.

2.2.5 Supporting Community Economic Development

Plymouth’s Community Economic Development organisations provide valuable employment spaces in the deprived wards. We will continue to support the following:

- Millfields Community Economic Development Trust
- Wolseley Community Economic Development Trust
- Real Ideas Organisation
- Four Greens Community Trust
- Nudge Community Builders

2.3 Accessing Employment Opportunities Skills and Workforce Development:

To ensure everyone benefits from economic growth, we need to make sure that skills and workforce development is based on maintaining and growing our reach and engagement across the city. This means a commitment to work in and across both communities of place and communities of interest. This will involve an increase in outreach delivery and sustaining our cross-sector community-based provision. This includes supporting the Employment and Skills Board and the Chamber led Local Skills Improvement Plan, as well as the PASF Skills Plan. This Plan has an explicit commitment to increased employment, training and skills development, and developing progression pathways which include harder to reach group.

We will maintain our collaboration with all training providers to lever the greatest value from existing funding and secure new funding that will enable us to support more people facing disadvantages and/or barriers to learning new skills and gaining qualifications.

We will also develop visible accountability for providers to ensure that those not using all funding are supported and challenged, where necessary.

There are a number of practical steps to ensure that everyone can benefit from a growing economy and access the workforce opportunities created by employers; these include:

- Providing local people with localised support for skills, training, education, careers and jobs by sustaining service delivery of Skills Launchpad Plymouth.
- Working collaboratively with statutory agencies, such as DWP, to ensure we support the city's Universal Credit claimants.
- Supporting soft and hard skill development into employment, from working for a business to self-employment.
- Support people to develop and accredit key skills, such as literacy, numeracy and digital.
- Being proactive with our children and young people, aligning with the recently published 'Unlocking Plymouth's Potential' strategy to support young people Not in Employment Education or Training (NEET). We want to raise aspiration and reduce NEET numbers.
- Provide our most vulnerable young people with SEND with experience of work, placements and supported internships.
- Retraining older people in the skills needed by employers in an evolving economy.
- Creating accessible learning pathways for those in work to upskill and gain higher levels of income, moving more families and individuals away from poverty.
- Ensure all funding and capital investment has baked in social value clauses and encourage the private sector to do the same through networks, such as The Plymouth Charter.
- Addressing health inequalities at a strategic and operational level, including support for those with health issues that are barriers to their employment.
- Enable continued innovation to overcome barriers.

For economic growth to be genuinely inclusive, we need to do more than simply consult with local people and employers. In developing work and creating new initiatives, we will engage and listen, involving our people and employers in both the design and delivery of skills and workforce programmes. Businesses need an adaptable and skilled workforce to remain competitive. The business community has a role to play in helping to raise aspirations and ambitions of the City's young people. We will therefore:

- Support careers advice and guidance in schools to raise aspirations and awareness of opportunities in the City.
- Support alternative provision for those who cannot thrive in mainstream education.

- Raise the aspirations for the kind of jobs people can get in Plymouth. This will encompass all age groups from primary schools through to University Graduates.
- Support activity for young people with Special Educational Needs and Disabilities (SEND) that is connected with employment.
- Encourage businesses to put together meaningful work experience programme.
- Business community supporting the three universities in providing higher level work placement opportunities and outreach work to raise aspirations.

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Sustainable Growth

Scope

For Plymouth to attract investment and maintain a highly skilled workforce it needs to both have and project a sustainable economy. The city needs to promote its sustainable credentials, being clear to explain how it is shifting to a low carbon economy and working to restore the environment. A focus on this sustainable growth is particularly important, not only because of the necessary commitment to environmental restoration, but also if Plymouth wants to attract and retain young people. Research in 2021 showed that young people (18–22-year-olds) value sustainability and environmental credibility, considering it important for employers to act on environmental issues, and 59% would remain longer with environmentally responsible employers.

In 2019, Plymouth City Council declared a status of ‘climate emergency’ and begun work on actions that help combat climate change through the transition to net zero. There are strengths in research, business expertise and natural resources to pivot the economy. The University of Plymouth’s expertise is internationally recognised and is recognised as the second-most carbon neutral university in the UK. Geographically, Plymouth has significant, naturally occurring, absolute advantages in supporting Offshore wind production and, as a port city, we importantly have considerable opportunities around clean shipping.

The Economic Strategy will focus resources on the following elements:

1. Attracting new investment into the city in green jobs, specifically around new and emerging energy production and storage.
2. Business support, helping businesses adapt to climate change and move to net zero emissions.
3. Decarbonise the current economy, including retrofitting the existing commercial building stock and opportunities.
4. Restorative actions which improve sustainability.
5. Commit to supporting sustainable travel and living, including public transport provision.
6. Skills and Workforce Development needs for a more sustainable economy.

3.1 Attracting New Investment into the City focused on new energy production.

We will target inward investment and growth activity from businesses linked to Net Zero opportunities within energy production. Looking specifically at:

3.1.1. Offshore Wind Opportunities

There are multiple opportunities linked to the licencing of new wind farms in the Celtic Array and off the Devon/Dorset Coast. Plymouth has a geographic advantage with its road and rail connectivity linked to the port infrastructure. It is important that we take advantage of these opportunities and work efficiently with international markets through exporting. To do this, we will:

- Build on our existing industrial capabilities and strengths in marine autonomy for surveying.
- Promote bespoke offshore marine training facilities.

- Promote freight port infrastructure for servicing offshore wind farms specifically around Cattewater.
- Support research capabilities linked to the University of Plymouth's wave tanks and cyber security.

3.1.2 Hydrogen Fuel Cell Technology

Hydrogen fuel creates a potential to provide low carbon fuel for shipping, HGVs and buses. We will build on the £20 million investment in the Plymouth and South Devon Freeport to build a 7MW green Hydrogen Electrolyser providing a clean source of power.

3.1.3 Heat Networks

Plymouth has been participating in the Government's Heat Network Zoning Pilots, but subsequently has been shortlisted in its Advanced Zoning Programme. The heat networks opportunity in the UK is expected to amount to between £60 and £80 billion. Plymouth is an early adopter of this zonal approach and roll out is expected to focus on the City Centre, waterfront areas and Derriford, and therefore will include business districts. Plymouth will seek to capitalise on the innovation through:

- Developing delivery approaches, working with the private sector, to maximise the economic multiplier effect through the adoption of local ownership models and engagement with key stakeholders.
- Innovative uses of financial models to reinvest in net zero innovation, local skills and fuel poverty.
- Supporting the business infrastructure needed for roll-out of heat networks including supply chain development and workforce skills development; expertise can therefore be exported to other areas and the development of a high value cluster.

3.1.4 Solar Energy Generation

We will support the opportunity for businesses to install solar energy on roofs and over car parking along with battery storage systems. This will reduce harmful emissions, cut energy costs, improve environmental credentials as well as productivity. Support may include innovative financial payback models.

3.1.5 Other Forms of Energy Generation – Wave, Geothermal and Ground or Ocean Heat Pumps

The city will encourage all forms of energy generation and will work with the business community, research institutions and Innovate UK to embrace new technologies as they emerge.

3.1.6 Plymouth and South Devon Freeport

The PASD Freeport aims to attract investment in clean growth/ net zero technologies aligned with the marine sector (including offshore wind opportunities in the Celtic Sea). This builds on our existing maritime innovation cluster with an unrivalled research ecosystem. Our Innovation Hotbed will create a global centre of excellence for the testing, development and manufacture of autonomous, digital and clean ocean technologies.

3.2 Business support business, helping businesses adapt to climate change and move to net zero emission.

We will provide information advice and guidance to the business community to help them make informed decisions on actions to shift to net zero. We will specifically focus on the business advice around adaptations to the existing building stock and business transport, which includes logistics and freight of goods and how the workforce commutes.

3.2.1 Business Advice

Research has shown that businesses are more likely to act on business advice if it is delivered by somebody they trust, they have a regulatory requirement, or it is at a key change point in a business life cycle. We will therefore:

- Work with procurement specialists to include contractual shifts to net zero.
- Support Business Representative Organisations, such as the Chamber of Commerce and the FSB, to promote best practice.
- Ensure all business support/advice and guidance integrates net zero ambitions.
- Reduce waste and encourage the circular economy, as waste effects both business productivity and is bad for the environment.
- Support initiatives such as the [Net Zero Exchange](#) to bring researchers and businesses together to deliver a whole system approach to net zero.

3.2.2 Helping Business Adapt to Climate Change

Some businesses in the city will be adversely affected by the impact of climate change, especially when considering the effects of increased flooding and more violent storm surges. We will work with partners, such as the Environment Agency, to mitigate and manage these risks and support Climate Connections in their work.

3.3 Decarbonise the current economy, including retrofitting the existing commercial building stock and transport related to business operations (freight, logistics and commuting).

3.3.1 Retrofitting

There are considerable business opportunities around retrofitting the existing building stock - it is estimated that 80% of the buildings in 2050 are already in existence. To achieve Net Zero there will need to be a significant investment in retrofitting existing buildings, specifically those in private ownership. The supply chain needed to achieve this challenge is not in place and research indicates the stop-start nature of initiatives has put the business community off investing or moving into this area of work.

Therefore we will:

- Support financial models to drive forward large-scale retrofitting of the building stock alongside a supply chain development project.
- Work with prominent local land-mark buildings to raise awareness about practical steps which can be taken and ensure they are used as case studies. The refurbishment of InterCity Place, which has gone from an old, energy inefficient building to a SKA Gold Standard building supporting the teaching on health professionals in the region, is one example.

- We will look to create a digital twin of the City for net zero and make the data open source.

3.3.2 Clean Transport

How businesses transport their goods and services, plus how staff commute to and from work, all contribute to carbon emissions. Innovation and infrastructure support are both needed on the journey to net zero. To support the move towards clean transportation, we will:

- Support lobbying for grid connectivity to ensure our ambitions for net zero (around shore power, electric charging and the shift to new zero) are not restricted.
- We will support clean port development, specifically actions which encourage short sea shipping, increased energy efficiency, alternative propulsion systems and the shift to shore power.
- We will support innovations including the electrification of other port operations (electric tugs, pilot boats, craneage).
- Support businesses to transition to electric vehicles by investing in electric charging points and car parking facilities throughout the city.
- We will support Connect Plymouth and the development of new business models for mobility which exploits the shared utility of vehicles and decouples it from asset ownership.
- Support Transforming Cities Fund commitments, the Bus Service Improvement Plan and Enhanced Partnership Targets.

3.4 Restorative Actions which improves sustainability.

The “restoration economy” is economic activity and investments that restore Plymouth’s ecology and natural habitats which have been degraded, damaged, or destroyed. Restoration projects can include habitat enhancement, water quality improvement and nature recovery flood management schemes. The "restoration economy" refers to an economic growth model that is based on repurposing, renewing and reconnecting the natural, built and socioeconomic environments; it works on the assumption that economic, social, ecological, systems replenish and restore one another.

3.4.1 National Marine Park

We will support the partnership delivering the UK’s first National Marine Park (NMP). This celebrates and works to restore the rich marine biodiversity of the city’s coastal waters. The project is designed to prioritise conservation and sustainable use activities, including sustainable aquaculture. The Park seeks to preserve the marine ecosystems (e.g. kelp beds and sea grass), promote responsible recreation and support scientific research. The National Marine Park will create green jobs through generating jobs in habitat restoration projects, scientific research, marine education, wildlife observation and green tourism and hospitality sectors.

3.4.2 Habitat Bank

We will put in place a green finance platform allowing businesses to invest locally in biodiversity and carbon offsetting. A form of green finance, known as a Habitat Bank, will ensure that the biodiversity net gain required by law for large developments will not only benefit residents, it will also ensure that natural habitats are looked after

and maintained. A Plymouth based scheme benefits both local residents, provides nature recovery jobs and improves the City's environment. It can therefore have a positive impact on the local economy.

3.5 Skills and Workforce Development:

The 'climate emergency' has redefined what sustainable growth means for future generations. Emerging technologies are already transforming labour markets, creating thousands of new jobs every year and displacing others. The rise of new green jobs generates a significant demand for new skills, and the imperative to upskill and reskill. This has moved beyond sustaining economic growth to one that places the transition to net zero at the heart of economic planning. This has placed an even greater importance on the new green jobs that will be created and those existing jobs that need to become 'greener.' We will therefore:

- Develop and implement a comprehensive Green Skills Action Plan – from our strengths in the 'blue' sectors to the wider economy.
- Map and grow the training provision focusing on green skills.
- Be pro-active in securing new and emerging skills funding, such as Skills Bootcamps.
- Increase the number and broaden the scope of Sector Based Work Academies.
- Support employers through the transition by providing them with information, advice and training for their workforce.
- Develop industrial and educational development partnerships to inform a skills roadmap to create fit-for-purpose provision.
- Develop holistic embedding of sustainability themes at all levels of learning.
- Maximise inclusive pathways for all into green jobs.

We recognise that without direct support for our employers and investment in infrastructure, the city will not be able to take full advantage of the opportunities that exist in current and emerging sectors such as sustainable growth.

Civic Pride and Regeneration

Plymouth is Britain's Ocean City. Nestled between the National Marine Park and the Dartmoor National Park, it's an attractive, vibrant place to live, a port city with a strong trading identity and a proud naval history.

Through this Pillar we will seek to build on the work of Destination Plymouth and Plymouth Culture's leadership of the Visitor Plan, Culture plan and City Branding work. We will focus on how the city is perceived by its residents, businesses, visitors and the media. In doing so, we will ensure that the City has a compelling narrative that can be used to attract businesses, employees and retain graduates.

We will also continue to prioritise the city's 15 years of focus on growth and regeneration with a renewed focus on the City Centre. This is because our city centre's usage needs to be reimagined as a place to live, work, play and socialise as well as being a place to shop.

4.1 Culture and active leisure

Plymouth has a national reputation for cultural place-making. We will build on our achievements, such as the opening of the Box, our award-winning £47m arts and heritage complex. In order to attract people to live, work and visit the city, we will support our existing cultural assets such as The Box, Theatre Royal Plymouth, Devonport Market Hall, Arts University Plymouth, University of Plymouth and work with Plymouth Culture through the Culture Plan; to build on our vibrant existing cultural offer whilst also protecting and modernising our existing assets for the future.

We will ensure that residents and visitors have a broad range of opportunities to participate in a wide variety of creativity and culture. This will include supporting a varied music and comedy scene and increasing our offer of leisure and sport facilities, e.g. through the £21m Brickfields development, Plymouth Active Leisure and the Plymouth Guildhall upgrade.

In our transformed Armada Way scheme, there will be significantly more space for creativity and culture to happen outdoors. We will work with our partners to make sure our new public spaces are bought-to-life.

4.2 Attractive vibrant City Centre

Our City Centre is the focal point of the city and one of the main arrival gateways via the train station, the coach station, by sea, by the ports and other transport hubs. A vibrant hospitality sector with cafés, good places to eat and drink, is the building block for socialising and having fun, providing a key ingredient for attracting people into the City. The hospitality sector provides employment for students' part time work. Having a vibrant and busy City Centre which is also clean, safe and well-maintained boosts city pride, provides a focal point and a significant employment hub as well as delivering key business services.

We will work with our Business Improvement Districts in the city centre and around the waterfront to create initiatives, events and campaigns that encourage

footfall and new visitors. In addition, we will deliver high-quality regeneration to bring redundant buildings back into use, improve the street scene and actively support and encourage alternative uses to generate additional visitors and footfall in the City Centre. We will invest in a coordinated nighttime economy strategy that both drives footfall and promotes Plymouth as a safe place to enjoy your leisure time.

We will work with strategic partners such as, Plymouth Community Homes, Health England, Homes England and DLUC to secure funding for housing and health led regeneration. We currently have 1,000 housing units in the City Centre, city centres of a comparable size have around 8,000. We would look to considerably increase housing to fall more in line with other cities of a similar size.

4.3 Growth and Regeneration

We will continue to focus on our key growth and regeneration sites including Derriford, Royal William Yard, Sherford, Langage, Mill-Bay, Oceansgate, Barne Barton and Stoke, continuing our culture led approach to place-making and regeneration.

4.4 The National Marine Park

Plymouth will deliver the UK's first National Marine Park. Building on a £11.6m investment by the National Heritage Lottery Fund, we will raise aspirations, create a sense of pride and revolutionise the way Plymouth interacts with its heritage. We will work with partners to open up new "gateways" – a series of sensitive regeneration projects across the citywide waterfront that will enable greater accessibility to the Plymouth Sound National Marine Park. The 'Digital Marine Park' will bring to life the amazing heritage of Plymouth Sound – providing an inclusive and accessible online platform and open up the UK's first National Marine Park to a global audience.

We will support the development and profile of Plymouth's marine research expertise and innovation and technology developments, including developments which support the fishing and aquaculture sector and development in marine nature conservation. We will restore habitats and species including sea grass beds, mudflats and saltmarshes, oysters, mussels, little egrets, avocets, thornback ray, seahorses, sand eels and the rare allis shad.

4.5 Prosperous Ports

Plymouth is home to four unique ports, championing different uses, providing global connectivity and supporting many of our other priorities:

- MillBay – Roll on Roll off ferry terminal and a marina.
- HMNB Devonport – largest naval base in western Europe.
- Cattewater – Freight port and an international cluster of Autonomy and innovation, marina berthing.
- Sutton Harbour – Fishing and marine berthing.

We will develop a Plymouth Port Strategy, providing a vital roadmap to understand the changing needs of modern ports and enable us to maximise the use of these assets. We will support actions which improve the productivity of port operations, such as smart port operations, short sea shipping, and net zero adaptations. We will

also future proof our ports through attracting investment in infrastructure and digital port technology and clean maritime to attract short sea shipping.

4.6 Develop and Improve Plymouth's Image

We will ensure that the residents of Plymouth feel proud of the city and that it is an attractive place to live, work and study. Through improving the image and cultural vibrancy of Plymouth we can attract new talent and businesses to relocate to the city, as well as increasing local civic pride and engagement with residents. Through Destination Plymouth, we will develop a clear and distinctive Plymouth brand and deliver a branding strategy for the city, which will showcase our identity, improve the perceptions of the city and market Plymouth to the world. We will promote Plymouth as a prime conference venue and increase the number of conferences that we host in the city.

4.7 Skills and Workforce Development

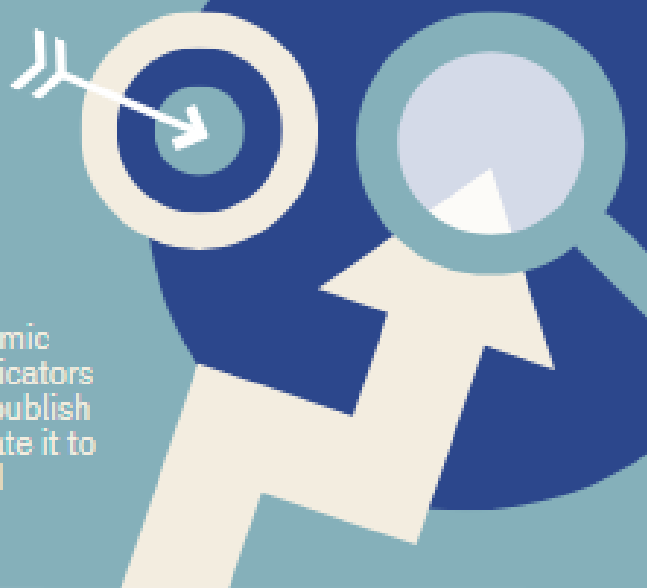
Plymouth's regeneration both builds on and reinforces the sense of pride that local people have in their city. To support the initiatives within this strategy, we need to embed a specific skills and workforce approach to underpin delivery. This includes:

- Plymouth has a large pipeline of over £1 billion construction projects in the next 5 years. We will continue to support and develop Building Plymouth, raising the profile of careers in construction sector to ensure a steady supply of skills in this sector. We will monitor the construction pipeline and work with partners to maximise the economic impact of construction.
- Maintaining and growing a universal support service for all residents, students and workers, removing barriers and signposting to work, recognising the need for a variety of approaches for people in different situations.
- Designing training to meet the needs that arise from the transition to a high-value and green economy, building on Plymouth's traditional and emerging strengths.
- Developing and growing a programme of events that both promotes and celebrate Plymouth's heritage and future economic growth i.e. job fairs, sector open days etc.
- Developing a city-wide leadership strategy that supports diversity, inclusiveness and fairness - 'Plymouth - A City of Leaders.'

Skills and workforce development are a critical component of economic growth. Our approach builds on the city's traditional strengths and prepares the city for the transition to net-zero. We recognise that future success is based upon an economy that is productive, inclusive and sustainable; an economy that ensures that everyone (from residents to employers) receives the support to turn opportunity into reality.

Measures of Success

In order to measure the success of the Economic strategy we will monitor key performance indicators for each of the Pillars. Every quarter we will publish this data on the Growth Board website circulate it to key partners, Scrutiny Panel and the four lead Councillors.



In 2021, Plymouth's productivity stood at 81.5% of the UK's productivity level.

Productivity is measured in Gross Value Added (GVA) per hour worked


25.0%

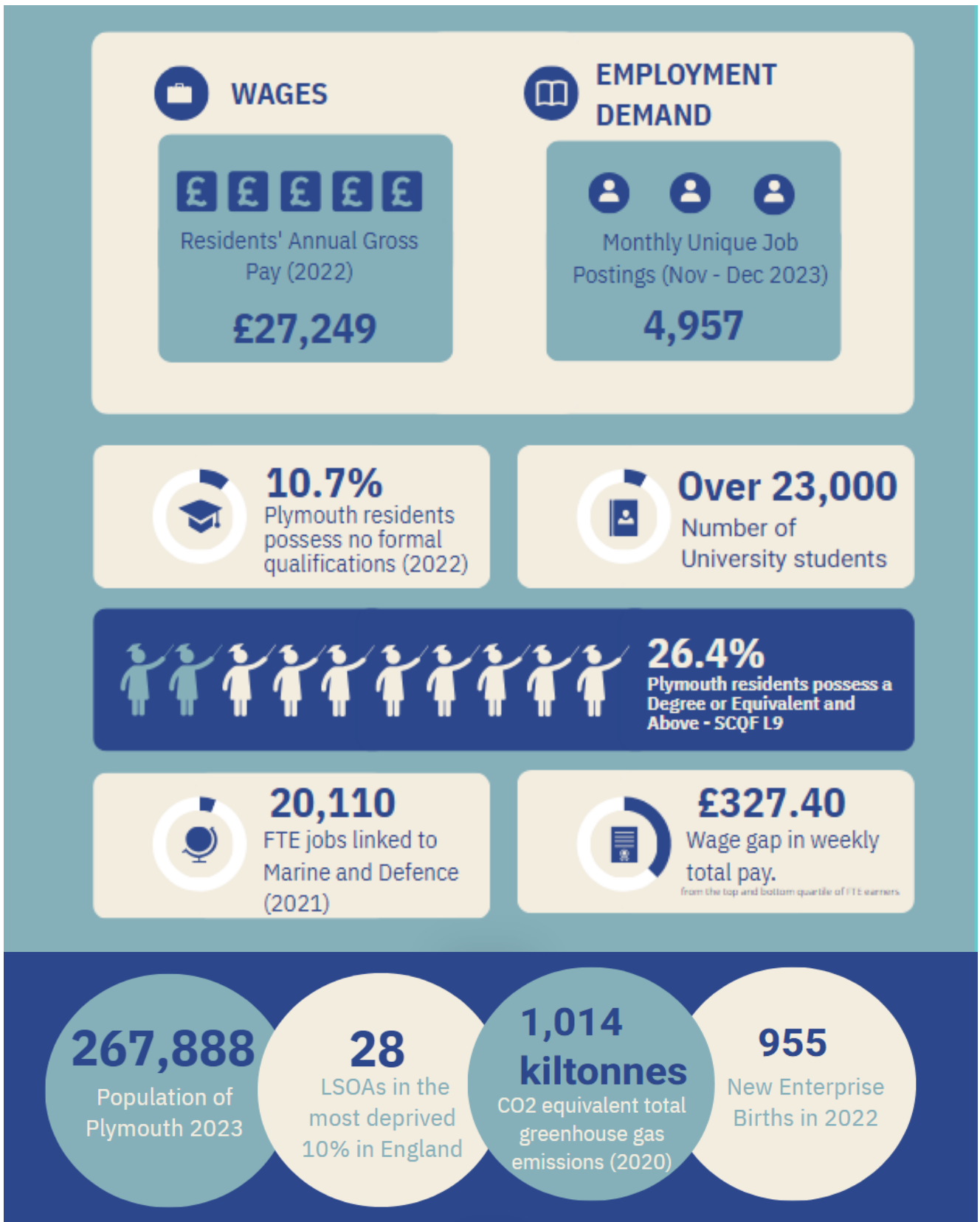
of the population in Plymouth are economically inactive versus 21.4% of Great Britain's population (July 2022 to June 2023).

Economically inactive residents due to long-term sickness was

35.0%

Plymouth's residents population. In comparison, the national average is 25.8%.





10 Year Time Aspirations:

In order to measure the success of the Economic Strategy, we will monitor key performance indicators for each of the pillars. These chosen measures align with the Plymouth Plan wherever possible. The measures identified in 'A Growing City' and 'International City' theme align particularly with many of our chosen metrics.

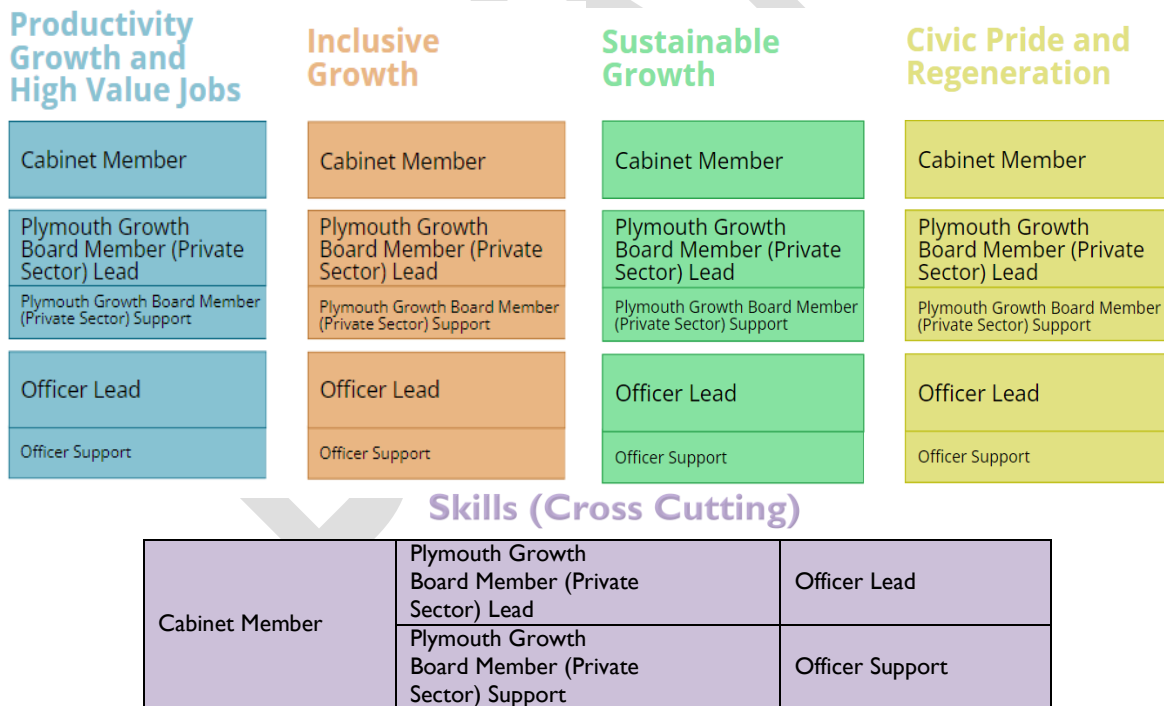
<p>1,000 New Businesses</p>  <p>We will increase the business stock (enterprises) of SMEs, from 6,300, by 2% per annum; meaning an additional 1,000 enterprises will be added.</p>	<p>8,000 New Jobs</p>  <p>We will increase the number of FTE jobs, from 116,000, by 8,000.</p>	<p>Grow the Value of Plymouth's Economy</p>  <p>We will grow the value of Plymouth's economy (from a GVA value of £5.44bn) by £1 Billion over 10 years.</p>	<p>Create A Highly Skilled Workforce</p>  <p>We will reach parity with the national average for the number of residents with RQT level 4+ qualifications (increase from 38.9% to 45.7%)</p>
<p>Lift 3,000 people out of poverty</p>  <p>We will lift at least 3,000 people in Plymouth out of living in the most deprived decile in England.</p>	<p>Help 5,000 People Get Work</p>  <p>We will reduce the number of people who are economically inactive (from 25% of overall population) to align with national figures.</p>	<p>Bring 50 Vacant Buildings back into Use</p>  <p>We will halve the number of vacant/derelict buildings in the city centre in order to build a vibrant city centre.</p>	<p>Net Zero Carbon City</p>  <p>We will reduce carbon emissions and become a carbon net zero city by 2030.</p>
<p>Help People With No Qualifications</p>  <p>We will reduce the number of residents who have no formal qualifications, from 10.7%, to below national average levels (UK average is currently 6.8%)</p>	<p>Make The City More Fun</p>  <p>We will increase the percentage of the local population engaged with cultural, heritage and sport activities (subject to ONS producing data)</p>	<p>Increase Plymouth's Productivity</p>  <p>We will aim to increase the city's productivity (GVA per filled job) from £44,930 to £55,000.</p>	<p>Build 5,000 New Homes</p>  <p>We have an ambition to build at least 5,000 new homes.</p>

Governance:

The economic strategy delivery will be overseen by the Plymouth Growth Board, which is Nolan principle compliant. The Plymouth Growth Board will be responsible for the delivery of the economic strategy, monitoring its progress and developing pipeline documents. The Plymouth Growth Board is the City’s voice of business as the public private partnership and chaired by the Chamber of Commerce. The Economic Strategy and the Plymouth Growth Board will be responsible for joining up other economic strategies and initiatives including; County Combined Authority Economic Strategy, Great South West plans, Plymouth and South Devon Freeport and Plymouth plans such as the Culture Strategy, the Visitor Plan, City branding work and skills delivery. Annex D sets out the approach to regional working and collaboration to allow for strategic alignment with surrounding unitary authorities. As other initiatives are developed the Growth Board will ensure integration and alignment.

To ensure democratic and broad city-wide ownership, each of the 4 Pillars will have the following:

- A nominated elected member champion.
- 2 champions from the Plymouth Growth Board (a lead and a supporting member).
- 2 Council Officers or publicly funded roles to provide technical support and champion delivery.



Growth Board & pipeline documents.

The Plymouth Growth Board will be assuming ownership of the Economic Strategy. To ensure the effective execution of the Strategy, dedicated project teams and strategic leads will be assigned to each Pillar:

- A dedicated member/members of the Plymouth Growth Board will act as Champion and work directly with the PCC Officer for each of the four Key Pillars.
- A PCC Officer will be designated under each of the four pillars to liaise with specific partnerships (therefore including private businesses) and support the Growth Board Champion.

Pipeline Documents – Plymouth’s top public and private sector investment priorities:

- Driven by specific partnerships, the Plymouth Growth Board will develop documents that outline the public and private investment priorities for each Pillar, outlining actions and progressive steps to address key challenges highlighted in each pillar.
- While the overarching strategic framework will remain stable, the actions themselves will be more fluid, subject to periodic review and tweaked to incorporate new opportunities/interventions as they emerge.

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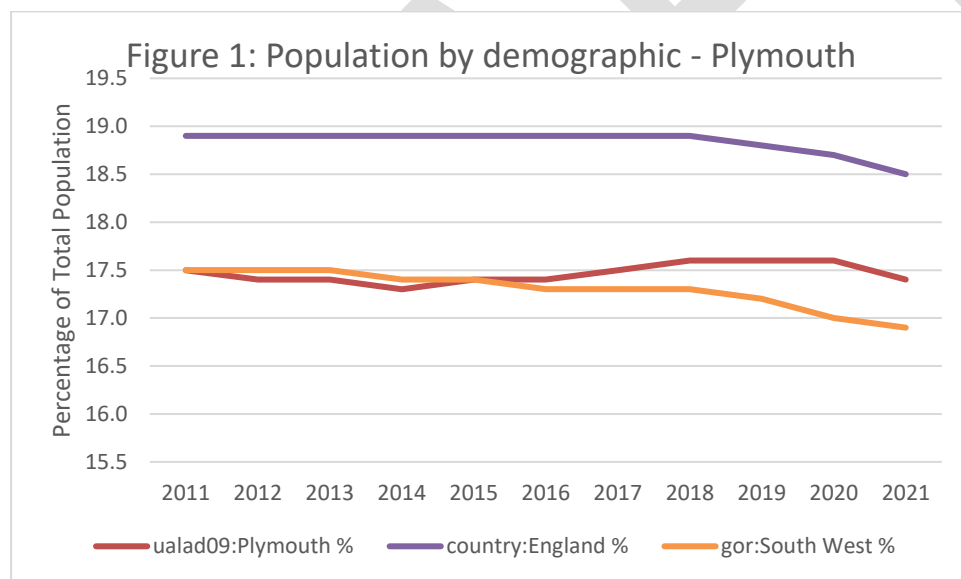
Annex A - Economic Evidence base

Overall population:

Plymouth’s population has remained relatively constant since the turn of the century; the average population growth being just 3.19% between 2011 and 2021. When compared to a national population growth rate for England of 6.49% across the same time period, it is clear to see that Plymouth’s population is not following the national trend. Recent data released by the Office of National Statistics shows Plymouth’s 2023 mid-year population now stands at 267,888; this represents an annual 0.6% increase from the previous year and an overall increase of 3700 people (1.4%) between 2021 and 2023.

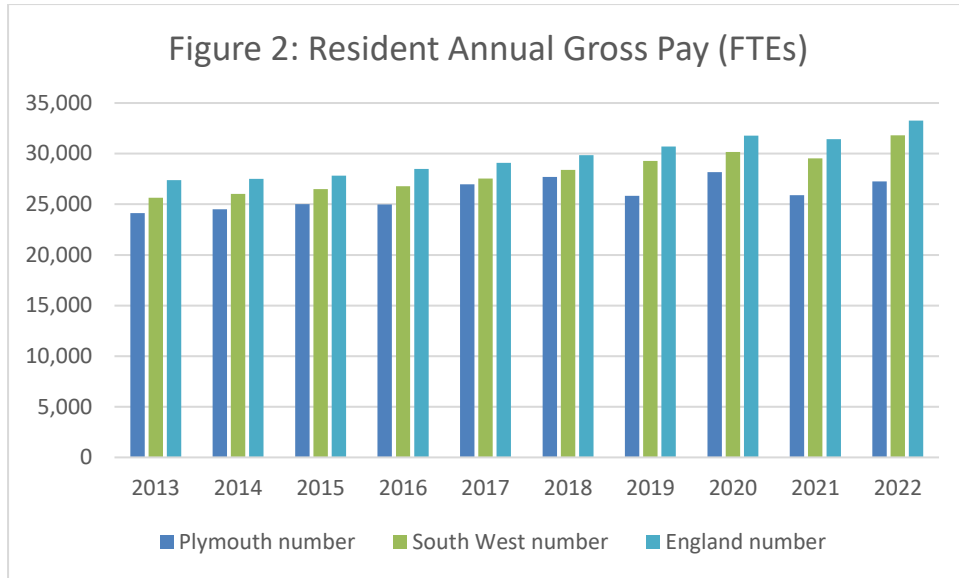
Demographics:

The data shown in Figure 1 illustrates the demographic composition of Plymouth’s population and clearly shows the aging population within the city. Before 2016, the number of children (aged 0-15) exceeded the number aged 65+; this explains the growing total population within this time. However, beyond 2016 (and most notably from 2020 onwards) the number of people aged 0-15 has fallen below the number aged 65+. The number of working aged residents as remained relatively stagnant since 2011 with the 2021 data showing 169,400 - this age demographic has accounted for 64-66% of the Plymouth’s population since 2011.

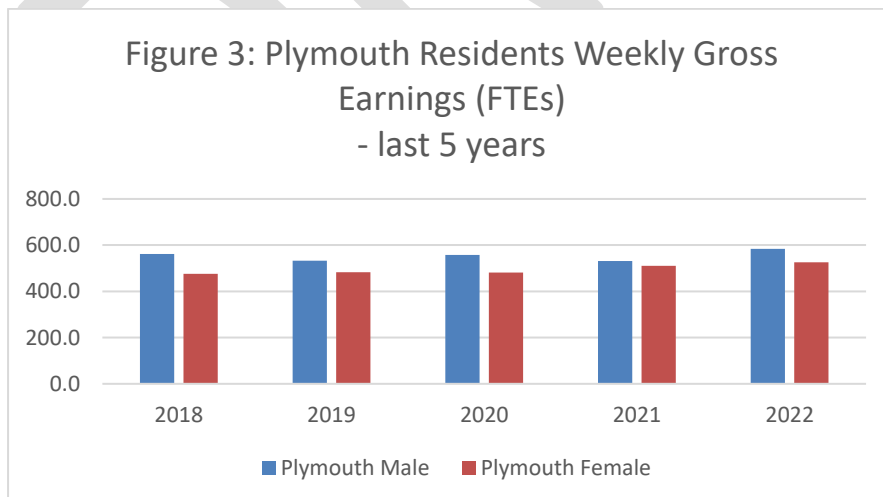


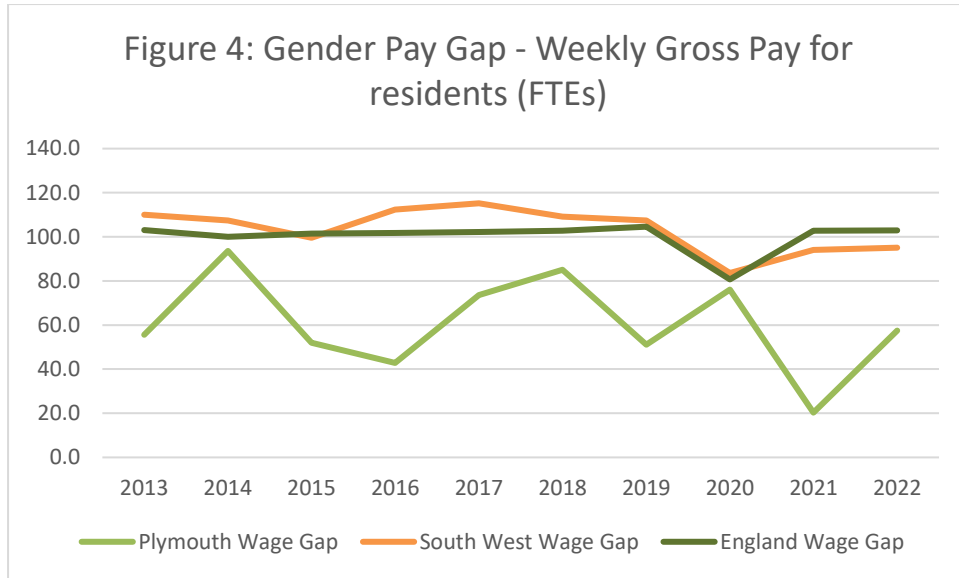
Wages and the Wage Gap:

Figure 2 shows that residents annual gross pay across Plymouth, South West and Great Britain has had a clear upward trend over the last decade. However, both Plymouth and the South West have consistently held annual gross pay figures below the national average. Despite the 12% increase over the last 10 years, Plymouth’s resident annual gross pay still remains over £6,000 below the national average of £33,279 – an 18.1% difference. Reviewing the long-term trends for this data we can see that up to 2019, Plymouth has consistently higher resident gross annual pay. However, the last few years have shown a change with the latest data for 2022 finding Plymouth now has 14.3% lower pay than the South West. This implies that the annual gross pay has seen faster rates of growth across the nation (Great Britain) and region (Southwest) when compared to the city (Plymouth).



The issue of the gender pay gap is relatively positive within Plymouth. The data shows a decrease in the pay gap in FTE weekly gross pay from £81.50 in 2018 to £57.50 in 2022. Across the country, the pay gap stands at £102.9 in England and £95.10 in the Southwest; thus, showing the positive progression within the city of Plymouth to more equal pay across genders. Figure 4 shows the change in this gender pay gap across these three geographies since 2018. Plymouth, shown in blue, has a considerable divergence from the trends presented across the other geographies. Since 2011, there has been a decrease in the gender pay gap across Plymouth which has not been seen at the national or regional level. The national and regional data shows pay gaps which are stagnated around £100, meaning that women are paid considerably less than men. It is difficult to determine the exact reasoning behind this trend towards equality across Plymouth, but it is likely a combination of multiple drivers; including (but not limited to) more women employed in higher pay jobs, more women in senior roles across business and more women in jobs requiring technical/specialised training.

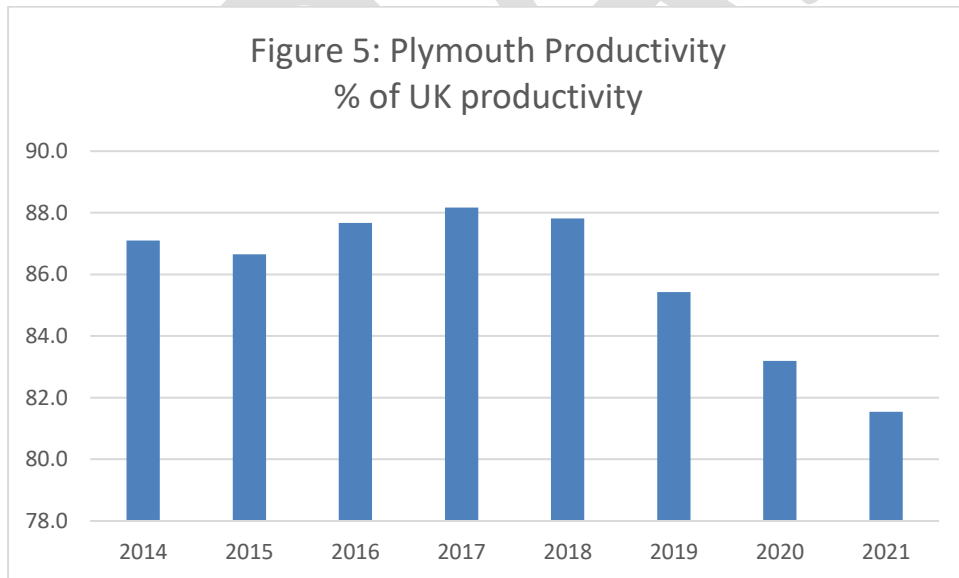




Productivity

Productivity:

Productivity within Plymouth is measured using GVA per hour worked. Over the last 10 years of data, an overall downward trend is visible. Productivity within Plymouth peak in 2012, with GVA per hour worked rising to 89.5% of the national figure and remained at around this level up until 2017. Looking at the data since 2017, productivity has decreased consistently, dropping 88.2% in 2017 to just 81.5% in 2021. This 2021 data represents the lowest productivity rate in Plymouth since the beginning of the century.

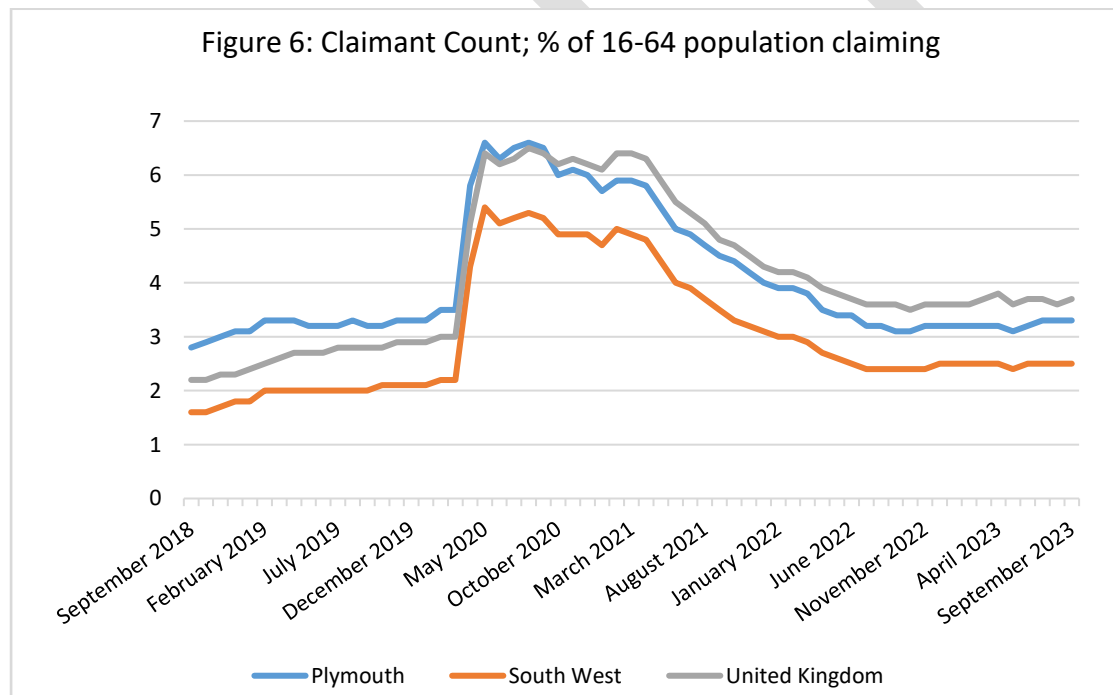


Labour market analysis:

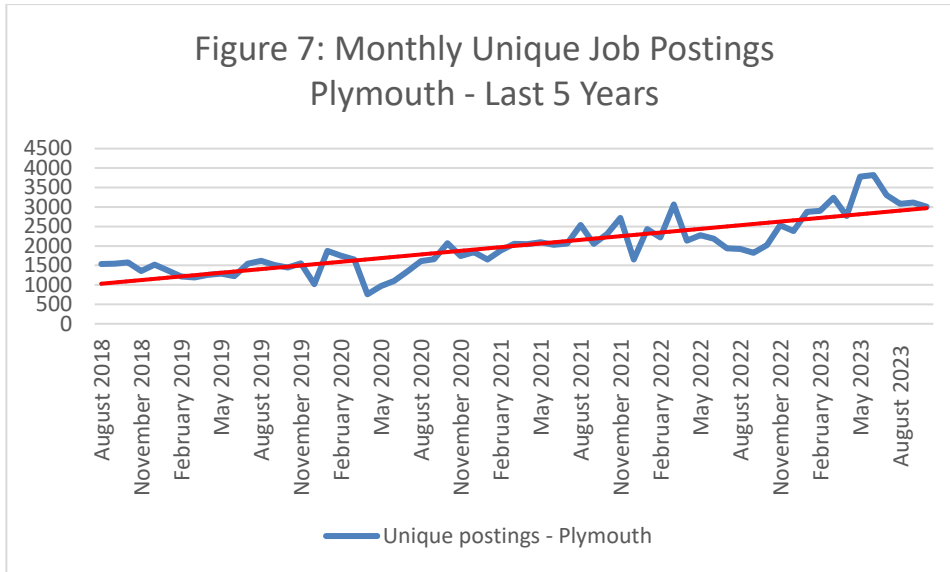
Employment in Plymouth has seen an overall positive trend over the last 10 years, with the number of total employees increasing from 108,000 in 2018 to 116,000 in 2022. Although Plymouth has historically held employment rates that were lower than the national average, the data within 2020 and 2021 is notable on this point. During these years, the employment rate in Plymouth was on average higher than the rate for the UK.

Building on this employment rate analysis, it is important to understand the reasons why residents may not be able to work and thus become economically inactive. Overall economic inactivity in Plymouth is higher than the national average, 25.0% of the population of the city are economically inactive versus on 21.4% of Great Britain for the latest data, July 2022 to June 2023. Plymouth also has a significantly higher proportion of economically inactive residents due to long-term sickness; residents being long-term sickness accounts for 35.0% of economically inactive residents in Plymouth. In comparison, the national average is 25.8%.

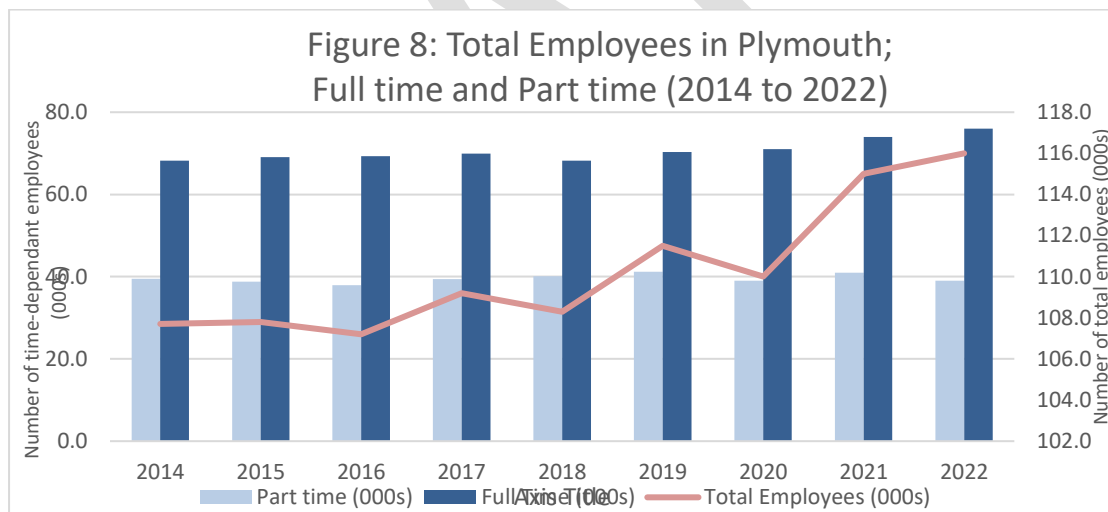
In addition to reviewing the evidence of economic inactivity, we can also see interesting trends within our unemployment rate data. The following is from the claimant count, a timely estimate of unemployment. Pre-covid comparisons of the claimant count show that the percentage of the working age population that claim unemployment benefits exceeded that of both the national average and the South West region. However, during 2020, the entire country saw a considerable increase in the number of people claiming benefits (a rise from around 3% claiming in the national workforce to around 6.5% - Plymouth saw a similar rise as a result of the pandemic). Post-covid, the claimant count across the country has fallen. Plymouth, however, is now seeing claimant count levels which are less than the national average.



Looking more closely at the number of jobs in the city, Figure 7 shows the number of monthly unique job vacancy postings in Plymouth over the last 5 years, with the trend rate in red. Despite seasonal variation, we can see a consistent increase in the average number of monthly job vacancy postings over the last 5 years. This has been driven by many factors; individuals moving into self-employment or taking early-retirement, reduction in EU workers and the increase in those not working due to long-term sickness. However, we have seen recent evidence the labour market may be beginning to cool with job vacancies starting to fall nationally; this is also evidenced through the recent fall in employment rates (latest data shows that Plymouth’s employment rate fell 2.24% in 2022).



Furthermore, Figure 8 shows the growth in the number of employees within the city. Historically, overall employee numbers in the city have been relatively stable. However, since 2018, there has been an upward growth trend; rising to 116,000 total employee jobs in the most recent 2022 data. The data shows evidence to suggest that this employment growth has been driven by changes in full-time numbers rather than part-time, with part-time numbers actually decreasing in 2022 despite the growth in total employment.



Summary of Evidence and key points

Based on the evidence laid out above, we can see particular successes across the following indicators:

- **Overall wage increase** – overall wages for the residents within the city have largely followed national trends and increase by roughly 5.8% since the refresh of the Plan for Economic Growth in 2019.
- **High employment rate** – The employment rate across the city sits at a level which is considered by economists to reflect full economic employment. This means that the demand for jobs within the city is matched well with the supply of jobs. To further this argument, the claimant count has also decrease; this also suggests that the number of jobs demanded is matched with the number of jobs available.

- **Key sectors** – Plymouth has positioned itself at the forefront of many varying sectors. The key sectors listed below represent the areas of particular interest within the city. As Britain's Ocean City, the marine and defence sectors within Plymouth are thriving, as the city host many of the leading research and development facilities/companies. In addition to this, our other key sectors represent a large amount of our total employment within the city; showing that they are a strong and pivotal aspect of our economy.
- **Employment growth driven by FTEs** – The total number of employees within Plymouth has increased significantly in recent years and the data shows that it is particularly driven by full-time workers. This suggests that a more robust economic structure is being formed.
- **High labour demand** – The high number of unique jobs postings shows there is a large amount of demand for skilled workers throughout the city.

In conjunction with these successes, there are also a number of challenges within Plymouth which are also important to identify and consider:

- **Productivity** – There has been and significant increase in the productivity gap between Plymouth and the nation. This is a major issue as it suggests that Plymouth's economy is not in line with National trends.
- **Wage gaps** – Whilst overall residents wages have increased, the wage gaps across different groups still remains an issue. Whilst there is an indifference in what people are paid for their work, inequality still persists. This means that, currently, the economy still has room to improve its equality levels and there is scope for the city to still become a fairer place to work.
- **High economic inactivity** – Many people across the city cannot work. Due to the impacts of covid and other recent global issues, the number of people who cannot work due to long-term sickness has grown. Within Plymouth, we hold a disproportionately high number of residents within this group and it is important that we address this issue.
- **Tight labour market** – There is a current issue with lack of skilled workers for many of the jobs being advertised in Plymouth. Forecast demographic trends point towards this continuing to be an issue and needs to be addressed through skills supply, labour market and technological interventions. It is important that we are addressing this issue and are proactive.

Annex B – Governance Structure

Proposed structure March 2024 - 2025

LES Chapter	Cabinet Lead	Plymouth Growth Board - Lead	Plymouth Growth Board - Support	PCC Staff - Lead	PCC Staff - Support
Productivity and High Value Jobs	Tudor Evans	Richard Stevens	Jonathan Cowie & Gareth Hart	Nina Sarlaka	David Lea
Inclusive Growth	Chris Penberthy	Lindsey Hall	Claire Taylor	Anna Peachey	Ellie Tigue
Sustainable Growth	Tom Briars Delve	Judith Petts	Stuart Elford	Amanda Ratsey	Kat Deeney John Green
Civic Pride and Regeneration	Jemima Laing	James Mackenzie-Blackman	Paul Fieldsend-Danks David Bayliss	Matt Ward	Hannah Harris, Amanda Lumley Victoria Pomeroy Emma Hewitt
Skills (crosscutting theme)	Sally Cresswell	Jacqui Grubb	Charlie Heard	Tina Brinkworth	Emma Hewitt

- Individuals named here may change as Governance develops.

Annex C – Plymouth Plan

The Plymouth Plan is the City's collective vision for the future 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; and 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 outcomes of 'healthy', 'growing' and 'international'.

The Plymouth Economic Strategy sets a specific aim, as set out in this document, which complements the objectives of the Plymouth Plan. In itself, the strategy also serves as a key part of the evidence base for any future reviews of the Plymouth Plan.

The link to the full Plymouth Plan can be found here: [The Plymouth Plan](#)

Annex D – Regional Alignment

The opportunities for strategic alignment and collaborative regional working with surrounding regional area will be explored in this section.

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