

MILLFIELDS COMMUNITY ECONOMIC DEVELOPMENT TRUST LOAN GUARANTEE (PART I REPORT)



1. Decision to be taken:

To enter into an Agreement to grant fund community economic development activity delivered by the Millfields Community Economic Development Trust up to a maximum sum of £985,000, payable over a period of 10 years.

2. Organisation being supported.

Name

Millfields Community Economic Development Trust

Registered Address

HQ 237 Union Street, Stonehouse, Plymouth, PL1 3HQ.

Registration number

03513202

3. Background

Profile of Millfields Trust

- 3.1. The Millfields Trust, a trading social enterprise, was founded in 1999 with the goal of revitalizing Plymouth's Stonehouse community. Its goal is to revitalize Union Street as a civic spine and provide residents in the heart of Stonehouse with chances for employment that will change their lives, re-establishing the city's once-important connection to Devonport.
- 3.2. The Trust is a democratic organisation with membership open to anyone over the age of 17. Members elect Directors to the Board of management on an annual basis.
- 3.3. This is accomplished through delivering high-quality, reasonably priced office space for renting on flexible terms, as well as a platform for SMEs to grow and thrive. Its facilities are built to accommodate beginning, small, and medium-sized businesses in many industries. New, growing, and existing firms from various industries, including the creative and third sectors and social enterprises, are housed in the business spaces.
- 3.4. The Trust has been using its trading surplus in part to develop work with young people in Stonehouse and to support other community initiatives. This is undertaken in part via our sister Charity, Millfields Inspired, which runs a programme with the goal of raising the aspirations of year 5 children. For the last 14 years, this work has supported approximately 200 children a year.
- 3.5. The Trust recorded an operating profit of £203,056 before tax during the year 2021/22 compared to £226,255 in the preceding year. Income was almost exclusively generated via the letting of business units and conference rooms.
- 3.6. Throughout the year, Millfields ran a series of events to support local businesses and to forge links with the community. This included celebrating 20 years at HQ with tenants.
- 3.7. Following funding of £194,000 from Homes England, secured in 2019 for the development of Block D at the HQ site, a planning application was submitted in December 2021.

Profile of the Stonehouse area:

- 3.8. Stonehouse is an inner-city neighbourhood of Plymouth and forms part of the St Peter and the Waterfront Ward. Stonehouse has a population of approximately 9000 people. In 2019 the overall Index of Multiple Deprivation score for St Peter Ward was 47.1 This ranks the ward as 1 in the City. In 2019, 11.5% of the population were claiming universal credit, compared to 5.6% across the City as a whole.
- 3.9. The neighbourhood is also characterized by high levels of social housing and poor-quality private sector housing.
- 3.10. Stonehouse also has a lower life expectancy than the Plymouth average and is the worst neighbourhood in terms of anti-social behaviour. The Ward has the highest rates of child protection cases and children going into care.
- 3.11. Stonehouse is a densely populated neighbourhood, with flats and houses in proximity. With the decline of the pubs and the loss of two community centres and the local health centre, the area lacks places where people can congregate, socialize, meet their neighbours and friends, plan and conduct normal community activities.

4. Grant Background

- 4.1. Plymouth City Council has had a grant funding agreement with the Millfields CED Trust since 2000. This original, 25 year Agreement supported the Trust to establish its Community Economic Development activity alongside the business park assets at Mary Secole Road and Creykes Court. Those assets were transferred through a long lease at the same time.
- 4.2. The objectives of the original Grant Agreement were: "securing the use and occupation of the Trust Premises and the business and office units and the interpretation and information centre thereon as defined in the Lease by businesses or persons in such a way that the maximum employment and economic benefits reasonably possible are obtained for the community in the Ward of St Peter Plymouth."

5. Decision

To enter into an Agreement to grant fund community economic development activity delivered by the Millfields Community Economic Development Trust up to a maximum sum of £985,000, payable over a period of 10 years.

To grant delegated authority to agree the terms of the grant to Head of Economy, Enterprise and Employment in consultation with the Leader of Plymouth City Council.