

# BRIEFING PAPER FOR PASD FREEPORT PROJECT DECISION – OCEANSGATE INNOVATION BARNs.



Overview of project

## BACKGROUND

The PASDF Freeport's approved Full Business Case included an Innovation Centre and Mobility Hub at the South Yard Tax Site, forming the centre piece of an Innovation Hotbed. It originally included LUF2 funding, however following an unsuccessful bid for such funds, a scaled down project for two buildings with industrial units on the ground floor and project offices/synthetic testbeds on a mezzanine level was submitted and approved. The costs for the new project comprised £3.256m seed capital and £3.274m of PCC borrowings.

The costs were originally developed through the feasibility study undertaken by AECOM to inform the options and have subsequently been updated in August 2024. These costs have now risen to £3.556m seed capital and £3.344m of service borrowings,

The project supports a number of Freeport policy objectives as it will deliver modern employment space for new and expanding businesses. Located on a historic naval dockyard in an area of Plymouth with high levels of deprivation, the project will also contribute to regeneration by creating 49 direct jobs. It will further provide industrial units that will be well suited for use as workshops and prototyping along with project offices and testbeds. The Freeport's innovation service offer will support R & D through the Innovation Centre and will assist waterside access along with at sea trials working with partners and will act as the point of contact for innovation support.

As a core part of the Freeport proposition the project also directly supports the area's plans for strategic development and economic growth, specifically building on the Plymouth/ South West Peninsula £30m City Deal investment made at the South Yard site in 2014 to create the UK's first Marine Enterprise Zone at Oceansgate.

The increase in seed capital is due to the fact that we have been informed by one of our Principal Surveyors that there is now a requirement for an additional £300,000 of seed capital to be allocated to this project. The South Yard Security Team have notified us that in order for the MOD to surrender the land to us at least 90m of security fencing needs to be replaced and upgraded. The rationale behind this is because the land will effectively allow public access up to the edge of the yard.

The fence needs to be a welded steel mesh, similar to that used to surround prisons, with spring lines in front of it.

There is currently a Project Change Request ready for submission to MHCLG which will release seed capital previously assigned to another project to this one, to cover the additional £300,000.

The business case is now covered by the Subsidy Scheme recently introduced by DLUHC and thus there is no requirement for subsidy control assessment by PCC.