

Plymouth and South Devon Freeport

Annual Update to the Natural Infrastructure and Growth Panel

Ian Cooper, Operations Director, PASD Freeport

James Whitelock, Head of Oceansgate Infrastructure, Plymouth City Council

Robert McGuffie, Development Manager, Plymouth City Council



Scope

This annual update provides an overview of progress in the following areas:

- **Policy**

- Annual Performance Review 23/24
- Tax Site benefits extension to 2031
- Broader sector gateway criteria
- New Government support
- Industrial Strategy

- **Net zero**

- Millbay port improvements
- Cattewater channel widening
- Llangage Green Hydrogen Hub

- **Seed capital programme**

- Plymouth projects
- Llangage projects
- Sherford projects
- PCC direct development: Oceansgate
- PCC direct development: Llangage South

- **Trade and investment**

- Driving demand highlights
- Babcock-Supacat Production Facility

- **2025 look ahead**



Policy

✓ Annual Performance Review 23/24

- MHCLG noted they are:
“pleased to see the maturity of the organisation and governance processes.”
- PASD Freeport met the requirements of the Security Audit Review.
- Key milestone in ensuring that all core policies and procedures adhere to the Nolan principles of good governance.
- Advisory Boards for skills, innovation and T&I set up to provide programme delivery support to the Freeport Board of Directors.
- Bi-annual reporting to MHCLG to monitor and evaluate progress against targets.

✓ Tax Site benefits extension to 2031

- Hard lobbying by Freeports throughout 2023.
- Extension became law in May of this year.
- Provides businesses with greater certainty and extended time to capitalise on the Freeport’s tax benefits and reliefs, including:
 - Stamp Duty Land Tax relief for qualifying use.
 - Business Rates Relief for 5 years.
 - NICs relief for 3 years for eligible employees.

✓ Broader sector gateway criteria

- Government also agreed to broaden the Freeport gateway criteria.
- Marine, defence and space remain core sectors.
- Plus, advanced manufacturing, engineering and net zero technologies.



Policy

✓ New Government support

- Autumn 2024 Budget confirmed continued funding for the UK Freeports programme.
- Government will work with partners to align the Programme with its policy priorities.

✓ Industrial Strategy

- Government intend to publish a 10-year Industrial Strategy in spring 2025.
- 8 growth-driving sectors, including: Advanced Manufacturing, Clean Energy Industries and Defence (all PASD Freeport gateway sectors).
- Freeport has submitted a Green Paper response, including recommendation that marine autonomy is a Defence sub-sector.





Net zero



- ✓ **Millbay port improvements**
 - Strengthening of Associated British Ports' West Wharf completed in September.
 - West Wharf now has a 60-metre section capable of accommodating 100-tonne cranes, and therefore significantly increasing the load capacity of the berth.
 - Enables a greater volume of cargo, increasing short-sea shipping freight capacity which is cleaner compared to HGV road freight.
 - The project received £1.3m of funding from the PASD Freeport's seed capital programme and forms part of a wider £23m port improvement programme led by ABP.
 - Tangible example of PCC delivering on the MOU agreed with ABP and Brittany Ferries in August 2023.



Net zero

- ✓ **Cattewater channel widening**
 - A port optimisation project to provide safe navigational channels for slightly larger hulls.
 - Freeport Full Business Case commitment to help futureproof port facilities where possible.
 - Plymouth City Council, as the Accountable Body for the PASD Freeport, awarded Cattewater Harbour Commissioners a grant of £382k earlier in the year.
 - This seed capital funding has been used alongside match funding to contract the work, that has improved navigational safety to allow the next generation of greener hybrid ships to visit Plymouth.





Net zero



✓ Langage Green Hydrogen Hub

- Carlton Power secured funding in Round One of the UK Government's Hydrogen Allocation Round (HAR1).
- 10MW 100% green hydrogen sourcing solar power to run the electrolyser.
- Can scale to 40MW based on offtake demand.
- Offtakers will be from hard-to-decarbonise industries – e.g. food processing.
- Over time demand from maritime and commercial transport sectors will increase.
- Full planning consent in place.
- Completion in 2027, subject to contract.

Plymouth seed capital



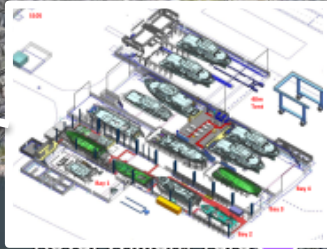
PCC Direct Development: Oceansgate
£3.556m seed / £3.344m match



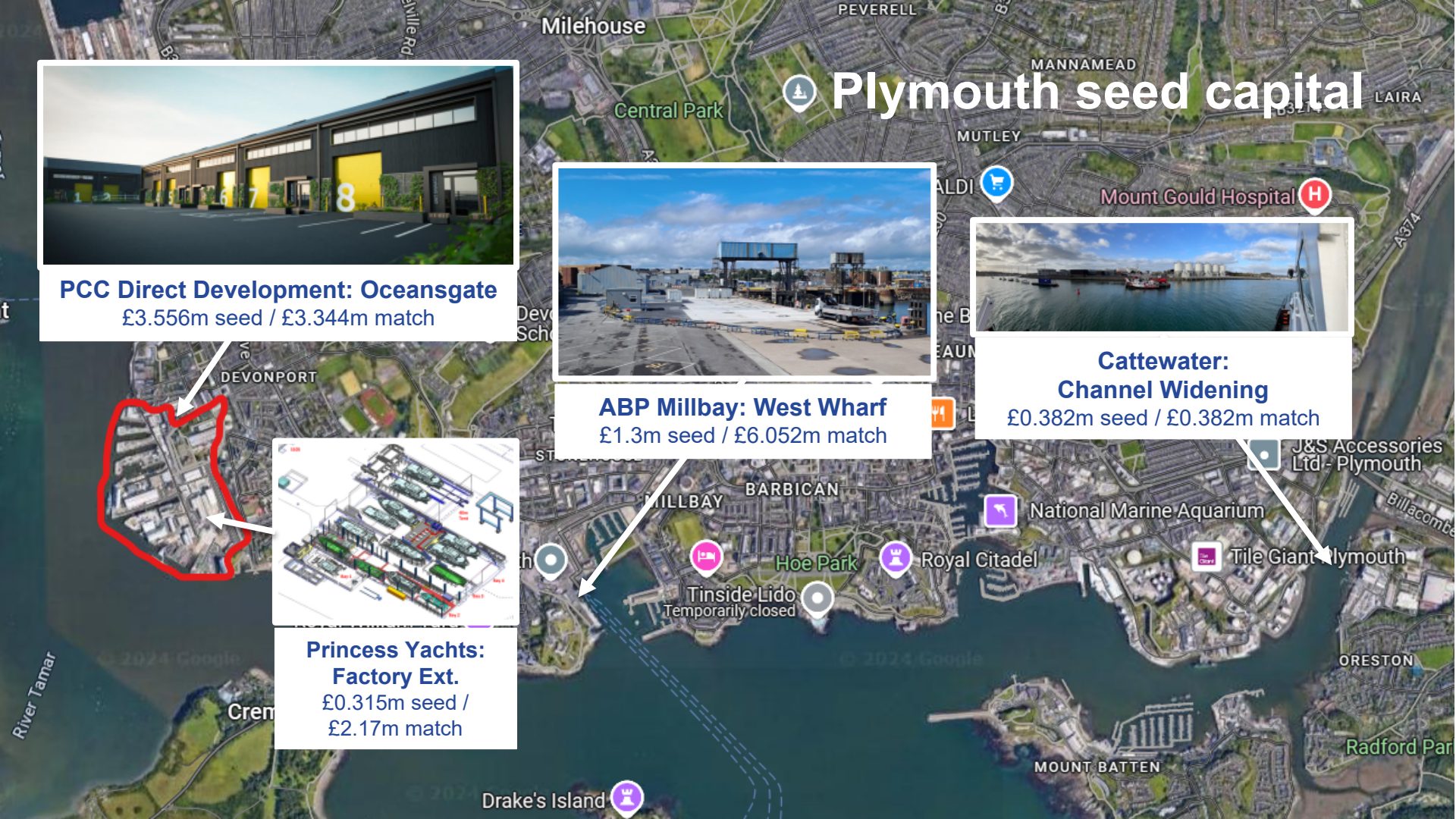
ABP Millbay: West Wharf
£1.3m seed / £6.052m match



**Cattewater:
Channel Widening**
£0.382m seed / £0.382m match



**Princess Yachts:
Factory Ext.**
£0.315m seed / £2.17m match



Langage and Sherford tax sites



St Elizabeth's House

Langage Power Station

Plymouth Audi

PLYMPTON

CHADDLEWOOD

Devon Expy

Devon Expy

Devon Expy

Devon Expy

B3416

B3416

B3416

Sandy Rd

George Ln

Plympton Hill

geaway

st



Langage seed capital

Access Rd to Plot 2

£0.8m seed /
£0.85m match

PCC Direct Development: Beaumont Way

£4m seed / £4m match



Pedestrian/Cycle Bridge

4.519m seed / £6.02m match

Power for Plots 2 & 3

£0.925m seed + £1m match

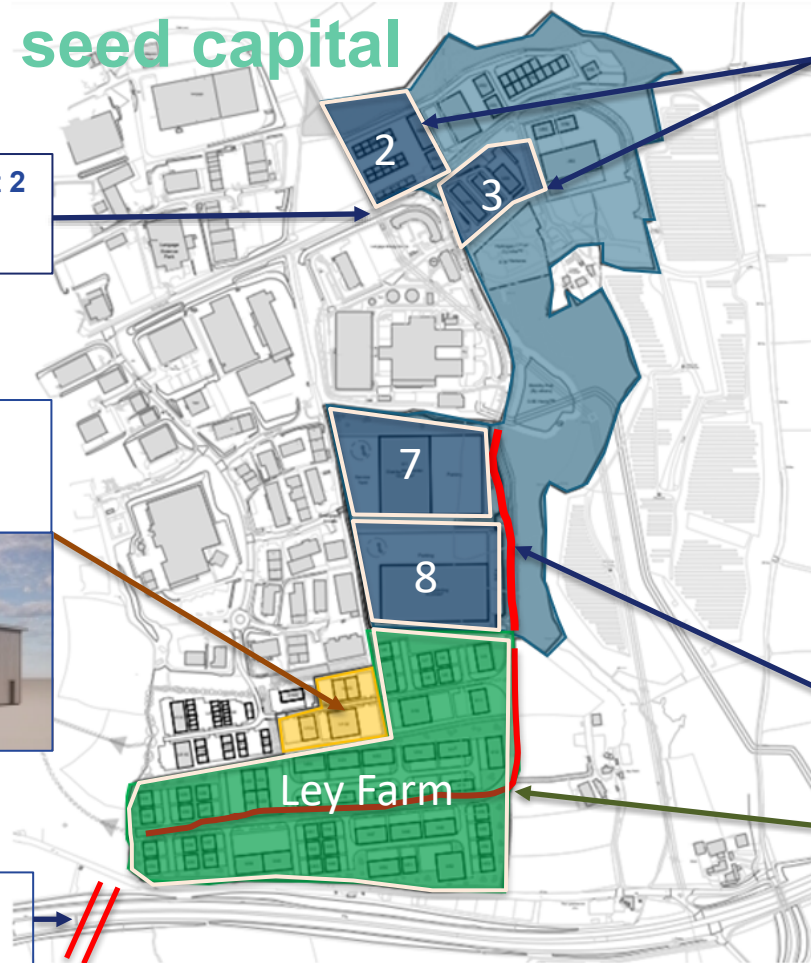


Spine Road Phase 1 to enable Plots 7 & 8

£4m seed

Spine Road Phase 2 to enable Ley Farm

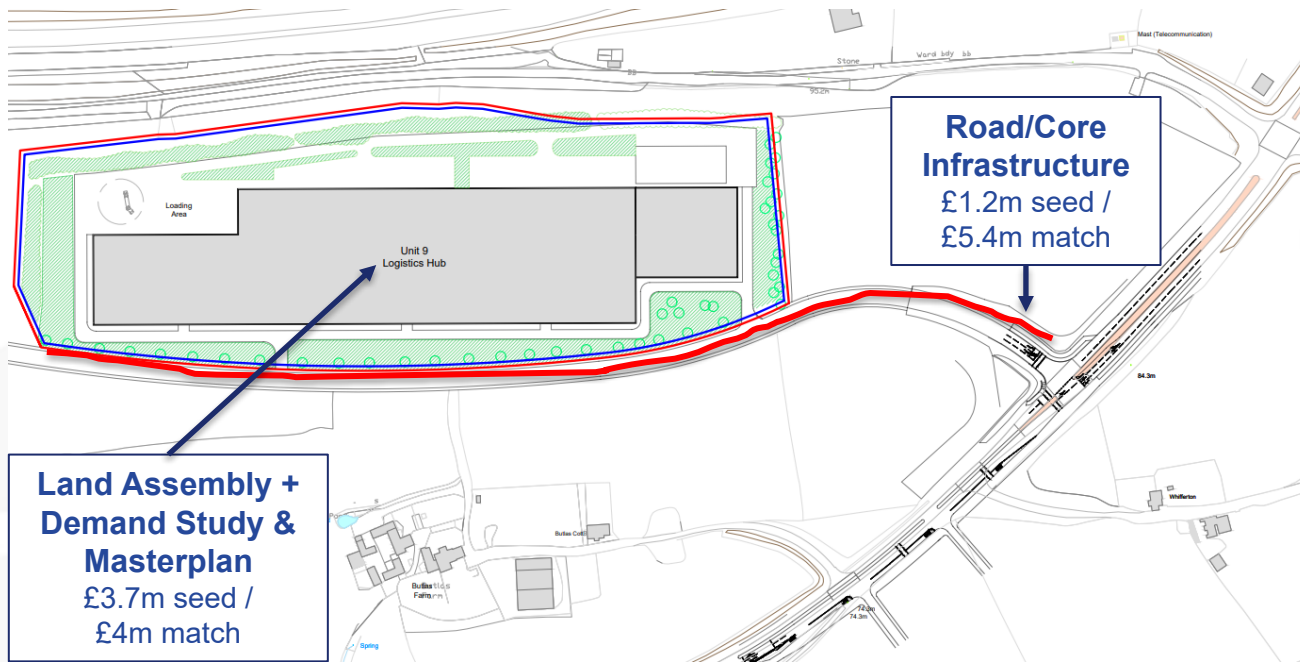
Up to £8.8m match



Ley Farm



Sherford seed capital





PCC Direct Development: Oceansgate

- The next phase of Oceansgate will deliver a place for marine businesses to innovate and collaborate.
- Two buildings providing over 1,700m² of high-quality workspace within eight units.
- Built to the latest low carbon building specifications.
- Accommodation for circa 49 FTE jobs.
- £3.556m seed / £3.344m match.
- Planning application submitted in September.
- Complete at the end of 2025, subject to planning approval.





PCC Direct Development: Langage South



- Development of a Plymouth City Council owned plot of approximately 1.6 hectares (4 acres) located within the Langage Tax Site.
- 4,615m² (across 4 units) of sustainable, high quality employment accommodation for circa 138 FTE jobs.
- Targeting EPC A, BREEAM Excellent and Net Zero Carbon.
- £4m seed / £4m match.
- Full planning consent achieved.
- Build underway for completion in Autumn 2025.



Driving demand highlights

- Business Growth and Investment Director started November 2023.
- Two Unlocking Growth events in April (Plymouth) and November (Ashburton), explaining the Freeport investment incentives + skills, net zero and innovation support. Combined events attended by >120.
- FDI lead generation with Department for Business & Trade teams in Australia, Singapore, Europe and the US. Several leads with Australian businesses and one prospective lead in Germany.
- Sponsored the SW Regional Defence & Security Cluster event in Devonport's Market Hall in November, attended by >90.
- Regular speaking slots at local Chambers events.
- Attendance at high profile trade and investment conventions, including UK Real Estate, Investment and Infrastructure Forum in Leeds, Global Offshore Wind in Manchester and Farnborough Airshow.
- Landowner/developer facilitation to match demand with supply.
- Refreshed digital presence including business-facing website for launch January 2025.



Babcock-Supacat Production Facility

- March 2024: Babcock and Supacat launched production of 70 High Mobility Transporter 'Jackal 3' vehicles for the British Army.
- A purpose-built manufacturing facility was established within a disused building in the Freeport's South Yard Tax Site.
- Skills-based work academy programme (SWAP) led by Babcock in conjunction with the DWP and PCC. 11 people offered roles.
- 90 new jobs in the Freeport + 40 roles at Supacat's HQ.
- UK supply chain, with 50% from the SW.
- September 2024: Babcock-Supacat awarded contract to build an additional 53 HMT Jackal 3s for the British Army.



“The advantages of being located in the Plymouth and South Devon Freeport will benefit the future through-put of this production facility for years to come.”

(Babcock)



2025 look ahead

- Continued collaboration with PCC, MOD, UoP and other key stakeholders to develop the city's Defence and Floating Offshore Wind propositions, particularly in relation to innovation.
- Continued collaboration with MHCLG, DBT, and other Government departments to embed the PASD Freeport programme into the new 10-year Industrial Strategy.
- Construction and completion of PCC's direct developments at Oceansgate and Langage South (Beaumont Way).
- Firming up the Freeport T&I pipeline to secure pre-lets for PCC's direct developments and Carlton Power's plots at Langage.
- Construction and completion of key transport infrastructure investments to unlock areas of the Freeport's Tax Sites at Langage and Sherford, including DCC's Spine Road 1a and Ped/Cycle Bridge projects, plus the Sherford Consortium's road and core infrastructure scheme.

Thank you.

Any questions?

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