

EXECUTIVE DECISION

made by a Cabinet Member



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


Executive Decision Reference Number – L49 24/25

Decision	
1	Title of decision: Plymouth and South Devon Freeport: Seed Capital Grant for the Freeport Company
2	Decision maker: Councillor Jemima Laing, Deputy Leader of the Council
3	Report author and contact details: Catherine Parnall E: Catherine.parnall@plymouth.gov.uk
4	<p>Decision to be taken:</p> <p>1) To agree to allocate £0.303m of Freeport Seed Capital Funding into the Capital Programme to ensure the financial resilience of the PASD Freeport Company in light of the current funding gap which has arisen as a result of delays to the programme and associated NDDR. (National non domestic rates)</p> <p>2) To authorise the Section 151 Officer to approve relevant funding claims up to the total Seed Capital amount of £0.303m as listed above</p>
5	<p>Reasons for decision:</p> <p>1) Plymouth City Council is the Accountable Body which will receive and allocate the seed capital to support the delivery of the Freeport Annual Plan.</p> <p>2) The Accountable Body is responsible for the effective programme management of the Seed capital programme pipeline; which includes the technical appraisal of individual business cases for Seed Capital projects.</p> <p>3) The decision is necessary in order to meet timeframes set by the Ministry of Housing, Communities and Local Government (MHCLG) in order to deliver the proposed activities and spend the funds accordingly and in time.</p> <p>4) Whilst the financial projections over the longer term are healthy, the Freeport company has a short term funding gap over the next three years. We are seeking to transfer £303,000.00 of currently unallocated seed capital to the Freeport company to bridge the gap, to be spent on salary costs and consultancy.</p>
6	<p>Alternative options considered and rejected:</p> <p>1. Do nothing – With the annual run rate gap, the Freeport company as currently configured would be unviable. The Full Business Case would not be delivered. There would be reputational damage.</p> <p>2. The Freeport company secures funding through other means – by discontinuing one or more of the projects that has not yet reached GFA – All projects are integral to delivery. To discontinue one (or more) would have a catastrophic impact on their ability to deliver the Freeport vision as set out in the</p>

	Full Business Case. There would be reputational damage.			
7	<p>Financial implications and risks: The funding is received from Government for the purpose of delivering the Seed Capital Freeport funding and is underpinned by a Memorandum of Understanding and further funding agreements that binds Plymouth City Council and Partners within the Freeport delivery governance into an agreement with the Ministry of Housing, Communities and Local Government (MHCLG) and further funding agreements between the Accountable Body and projects outlining that the funds are shouldered by the applicant as such is contractually obliged to deliver and spend according to the Fund parameters and requirements.</p> <p>Projects are subject to Accountable Body processes involving but not limited to procurement regulations, monitoring and governance, as such, failure to follow requirements from either the Accountable Body or MHCLG runs the risk of remedial action. We will maintain robust programme management protocols through regular monitoring and review to ensure that the projects are delivered within the grant terms and conditions. Remedial action will be taken where necessary.</p>			
8	<p>Legal Implications:</p> <p>None.</p>			
9	<p>Is the decision a Key Decision? (please contact Democratic Support for further advice)</p> <p>Please type an X into the relevant boxes</p>	Yes	No	<p>Per the Constitution, a key decision is one which:</p>
			x	in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total
			x	in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million annually
			x	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.
	If yes, date of publication of the notice in the Forward Plan of Key Decisions			
10	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:		This decision can be linked to the Plymouth Plan Growing City and International City as well as other frameworks including the Climate Emergency Action Plan. This decision would be directly linked to the capital budget and will be managed and monitored in accordance with Plymouth City Council processes.	
11	Please specify any direct environmental implications of the decision (carbon impact)		<p>Having appointed a Net Zero lead for PASD Freeport, the Freeport company continue to integrate Net Zero commitments/outputs into seed capital business cases to ensure that developments support their ambition to be Net Zero significantly head of 2050. The Accountable Body has made it a blanket condition of funding for all PMs to engage with PASDF regularly on these issues throughout the lifecycle of their projects.</p> <p>Longer term strategy work is also on-going, informed by a</p>	

		Net Zero opportunities study that was undertaken on our behalf by the Freeport Hub. The Freeport Hub is providing further (free) consultancy support to create a pragmatic and achievable action plan that all stakeholders can sign up to. This was informed by a stakeholder engagement event held in January 2024. The request for seed funding will help the Freeport company to maintain our Net Zero commitments.		
Urgent decisions				
I2a	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes		(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)
		No	x	(If no, go to section I3a)
I2b	Reason for urgency:			
I2c	Scrutiny Chair Signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
I3a	Are any other Cabinet members' portfolios affected by the decision?	Yes	x	
		No		(If no go to section I4)
I3b	Which other Cabinet member's portfolio is affected by the decision?	Councillor Tudor Evans OBE, Leader of the Council		
I3c	Date Cabinet member consulted	24/03/2025		
I4	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes	x	If yes, please discuss with the Monitoring Officer
		No		
I5	Which Corporate Management Team member has been consulted?	Name	Karime Hassan	
		Job title	Interim Strategic Director for Growth	
		Date consulted	24.02.25	
Sign-off				
I6	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	JSI I7 24/25	
		Finance (mandatory)	DJN.24.25.179	

		Legal (mandatory)	LS/2960(47)/JP/110325						
		Procurement (if applicable)	N/A						
		Corporate property (decisions involving Council owned land or facilities) (if applicable)	N/A						
		Human Resources (if applicable)	N/A						
Appendices									
17	Ref.	Title of appendix							
	A	Part I Supporting Summary Report							
	B	Equalities Impact Assessment							
	C	Climate Impact Assessment							
Confidential/exempt information									
18a	Do you need to include any confidential/exempt information?		Yes	x	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below. (Keep as much information as possible in the briefing report that will be in the public domain)				
			No						
			Exemption Paragraph Number						
			1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title:				x				
Background Papers									
19	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								
Title of background paper(s)			Exemption Paragraph Number						
			1	2	3	4	5	6	7

Cabinet Member Signature							
20	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act (2010) and those who do not. For further details please see the EIA attached.						
Signature			Date of decision	24 March 2025			
Print Name	Cabinet Member for Children's Social Care, Culture and Communications						