

Cabinet minute 102: 9 December 2014

Anthony Payne (Strategic Director for Place) submitted a report seeking approval to proceed with the finalisation of a Land Transfer Agreement to transfer areas of HM Naval Base South Yard from the Ministry of Defence (MoD) to Plymouth City Council as part of the Plymouth and South West Peninsula City Deal.

The report –

- (a) presented a high-level vision and master-plan of the future South Yard Marine Industries Production Campus site which sought to safeguard and enhance its historic legacy;
- (b) presented a summary of the results of feasibility, site investigations and master-planning work which had been ongoing throughout 2014 and summarised the status of land transfer negotiations with the MoD to effect the transfer of parts of South Yard to Plymouth City Council for redevelopment as a Marine Industries Production Campus;
- (c) indicated that the site would provide new employment space along with access to deep water jetties and docks, thereby enabling marine sector companies to undertake a range of research, development and general commercial marine activities;
- (d) proposed the development of a business case to immediately begin direct development on the site on the eastern area of South Yard Area I site to create high-quality office space and a number of hybrid office/workshop units with flexibility to accommodate marine related design, training, technology development, laboratory and testing facilities, which were estimated to create over 150 jobs, along with construction jobs and apprentices;
- (e) advised that, to safeguard the Naval Heritage Collection in the South Yard site, the Council had provided a commitment to retain it on site until an alternative arrangement was agreed between the MoD and Plymouth City Council;
- (f) informed Cabinet Members that, once developed, the campus should also contribute to the south west region's Marine Energy Park concept to help support the wider marine renewable energy sector and hence contribute to the wider economic benefit of the region.

Councillor Evans (Council Leader) introduced the proposals and reiterated his comments in relation to his discussions with the Rt Hon Michael Fallon MP (Defence Secretary). He indicated that during those discussions, he had paid tribute to role of Commodore Little in the progress of this initiative.

Mark Turner (South Yard Project Manager), David Draffan (Assistant Director for Economic Development) and Patrick Hartop (Head of City Deal) and Gareth Simmons (Head of Capital Strategy) attended the meeting for this item and indicated that the proposals had been phased so that an early start could be made on site. The challenges facing the Council would be in relation to construction to safeguard the heritage of the site and that the outcome needed be self-sustaining.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed –

- (1) to delegate to the Strategic Director for Place the negotiation, finalisation and signing of a legal agreement to transfer areas of South Yard (namely Areas 1 and 5) from the Secretary of State for Defence to the Council;
- (2) to authorise officers to prepare a detailed design and business case for a direct development proposal on the eastern area of South Yard Area 1 site.

The City Council is Recommended to accept the funding offered as part of the City Deal Agreement (dated 31 January 2014) towards the creation of a South Yard Marine Industries Production Campus ie: Department for Communities and Local Government grant of £8m, a £5m loan from the Local Enterprise Partnership (Growing Places) and a loan of up to £1m from the Ministry of Defence.