

# Freeports Bidding Portal

## Introduction

Welcome to the bidding portal for Freeports in England. In order to submit a Freeports bid, you will need to answer every question and supply each supporting document requested in this form. With the exception of the shapefiles that we ask you to submit via email, we reserve the right to disregard any information supplied via other means. For an overview of the information you will need to provide, please refer to the Freeports Bidding Prospectus. Data Protection Please read the privacy notice at Annex B of the Freeports Bidding Prospectus and confirm you accept its terms.

I accept the terms of the privacy protection notice

## Essential Information (Pass/Fail)

Q1. 1.1 Please submit a proposed name for your Freeport. This should clearly distinguish it from any other potential Freeport proposals.

Plymouth and South Devon Freezone

Q2. 1.2 Provide name and contact details for the Senior Responsible Officer for the programme. NB: This will be the key point of contact for Government.

**First Name:** Richard  
**Last Name:** May  
**Email Address:** richard.may@plymouth.gov.uk  
**Telephone Number:** [REDACTED]

Q3. 1.3 Please upload the following pdf files legible at A3: One showing your Freeport outer boundary, no two points on which should be more than 45km apart, and the locations of the tax site, customs sites, and any other sites which make up the bid (e.g. infrastructure projects) One map per customs zone defining its boundaries One map per tax zone defining its boundaries You should upload at least 3 and no more than 10 files of less than 50MB each. Files should adhere to the following naming scheme: [survey(userid)] followed by map name (e.g. [survey(userid)]\_Tax\_Site\_1). If you need to submit more than 10 maps, please send the additional maps to Freeports-MHCLG@communities.gov.uk alongside your shapefiles (see Q1.4).

- File: 158400489\_Tax\_Site\_1.pdf
- File: 158400489\_Tax\_Site\_2.pdf
- File: 158400489\_Tax\_Site\_3.pdf
- File: 158400489\_Custom\_Site\_1.pdf
- File: 158400489\_Custom\_Site\_2.pdf
- File: 158400489\_Outer\_Boundary\_1.pdf

Q4. 1.4 Please also email an ESRI Shapefile or Vector Geopackage version of each map uploaded at 1.3 to Freeports-MHCLG@communities.gov.uk with the subject line [survey(userid)]. Files should adhere to the same naming scheme used in Q1.3 Please confirm you have submitted all requisite shapefiles:

I have submitted all requisite shapefiles

Q5. 1.5 Please confirm you have communicated your plans to the landowners impacted by your proposed tax site:

I confirm this has been done

Q6. 1.6 For each customs site, please upload a signed letter from the site operator confirming that: They are willing to be included in the bid They are aware that, should the bid be successful, as site operator, they will be required to obtain the relevant authorisations from HMG before the site can be designated as a customs site. They are willing to undergo the authorisation process If the operator already has HMG customs authorisations they should state this in the letter. The files should use the following naming scheme: [survey(userid)]\_Site\_Operator\_1. The files must be less than 50MB each. If you need to submit more than 10 letters, please send the additional letters to Freeports-MHCLG@communities.gov.uk alongside your shapefiles (see Q1.4).

- File: 158400489\_Site\_Operator\_1.pdf
- File: 158400489\_Site\_Operator\_2.pdf

Q7. 1.7 Please upload written confirmation of support for your bid from your local authority or local authorities and (if you have their endorsement) Local Enterprise Partnership (LEP). The letter must be signed by the leader of each Local Authority that is responsible for planning and business rates collection in whose area any of the proposed Freeport sites will sit. The letter should commit their full support and agreement to the proposed bid specifically those areas for which they have statutory responsibility including planning and business rates to ensure the delivery of the proposal. The letter should also be signed by the MCA and/or LEP to confirm their support for the bid and detail its alignment with the delivery of the areas prevailing economic strategy. Where relevant, the letter should be signed by the leader of each Local Authority that is responsible for transport. For example, the County Council or MCA. Please name the file: [survey(userid)]\_LA. The file must be less than 50MB. If you wish to submit multiple letters, please use the naming scheme: [survey(userid)]\_LA\_1.

- File: 158400489\_LA\_1.docx
- File: 158400489\_LA\_2.pdf
- File: 158400489\_LA\_3.pdf
- File: 158400489\_LEP.docx

Q8. 1.8 Cross-border bids

	Yes	No
Is your bid a cross-border bid?		X
Is any of the land covered by your bid also subject to a Freeport bid in another nation?		X

Q9. 1.9 Does your Freeport propose any secondary customs sites outside the Outer Boundary?

No

Q10. 1.10 Explain how your Freeport Outer Boundary represents a credible, coherent economic geography? Please provide clear rationale (max 500 words).

With its strategic connectivity to the wider economy of the UK and indeed to global markets, Plymouth makes a perfect location for a Freeport. As a growing regional city with a significant navy presence and established shipping routes into Europe, Plymouth is the most sustainable location within the far South West in which to achieve transformational growth. Our Freeport proposal builds on Plymouth's strengths and assets in marine autonomy and defence innovation whilst also enabling us to address a range of economic challenges facing the area, including low wages and employment blackspots, contributing to the government's levelling up agenda.

Our outer boundary has been drawn to reflect Plymouth's Housing Market Area which is a coherent economic geography. Settlements within the footprint of the HMA will benefit from the immediate impacts of the proposal, with spillover effects occurring on a wider scale. The outer boundary is well within the government's 45km requirements and includes the Port of Plymouth as well as a currently mothballed airport. Within this outer boundary we have identified three specific areas, within a much tighter geography, to designate as tax and customs sites under the Freeport proposal.

At the heart of our proposal is a desire to unleash the significant but currently untapped potential within the Port of Plymouth which is constrained by the physical space in which it operates. The proposal aims to utilise land within the surrounding area for light assembly/manufacturing, bonded warehousing etc, attracting investment that builds on our innovation assets. Consideration has been given to all potential sites within the radius of the HMA, recognising:

- The size and nature (e.g. topography) of the available land
- How underdeveloped or underutilised they are (for customs sites)
- Relative costs associated with each
- Transport links (from the port, between sites and to the M5)
- Plans and preferences expressed by businesses
- Land ownership
- Alignment with strategic priorities

The three sites that have been identified for specific designation within our bid all lie within the growth areas identified in our core strategy and development plan as follows:

- Devonport South Yard (adjacent to the port) which is located within the City Centre and Waterfront area and will form our innovation hotbed as a tax site
- Langage and Sherford which are developments within the Eastern corridor with direct access to the A38 Expressway and will provide additional capacity for the Port as tax sites with specific customs zones within them.

These have all been identified within the Joint Local Plan because of their strategic importance from an economic perspective and their great potential for change and growth (see Annex 4), as well as being the most sustainable locations in terms of their relationship to key transport corridors and public transport accessibility. For the purpose of the Freeport proposal they are the areas of Plymouth with the greatest opportunity and viable space for significant growth without adding more vehicles into city. Given that the Joint Local Plan already includes specific policies covering these sites they will enable us to move at pace.

Q11. 1.11 Please provide rationale for the primary customs site and any subzones, including (max 500 words total): • What you expect each customs site to be used for? • What outputs/benefits do you expect each site to generate? • How do they relate to each other and the wider Freeport?

The Port of Plymouth handles many cargo types and has scope for growth, but is constrained by space. It is not possible to create customs sites within the Port. We propose 'capacity expansion' sites to increase Port capacity and have space for key cluster to rapidly scale. Whilst no single site meets these objectives, we have a solution by combining two separate sites – Langage and Sherford - as 'twin subzones'. We understand the costs involved and have commitment from the operators to undergo the necessary

Q11. 1.11 Please provide rationale for the primary customs site and any subzones, including (max 500 words total): • What you expect each customs site to be used for? • What outputs/benefits do you expect each site to generate? • How do they relate to each other and the wider Freeport?

authorisation. In view of its size, Langage Energy Park is our primary customs site.

Langage and Sherford are both relatively large undeveloped sites, totalling 73 hectares, on the outskirts of Plymouth on either side of the Devon Expressway, offering ideal locations for high volume activities. With both sites having been designated for B1/B2/B8 development, they will both be used for light processing/manufacturing, warehousing, vendor management and staged imports (including what is expected to be significant high value project cargoes).

Note: two of our anchor businesses, Princess Yachts and Babcock, are located within our Devonport South Yard ('Innovation Hotbed') site. South Yard has deep water access and the infrastructure/capacity for marine and defence innovation through the existing Oceansgate Enterprise Zone, adjacent to the main Navy client, which will support plans to make Plymouth and the UK a world leader in marine autonomy and other innovative marine technologies.

We are leveraging all suitable land identified within the Joint Local Plan. Langage and Sherford, with their scale and connectivity, will support wider sector expansion activities. These sites offer opportunities to build much needed modern facilities for marine and defence high-tech engineering away from valuable innovation waterside space.

The sites will enable us to:

- Consolidate trade flows through Plymouth via modern customs technology
- Make processes more efficient, increasing trade (for both domestic and overseas markets)
- Enable more customs compliance to move away from the border
- Specialise in project cargoes for a range of opportunities e.g. ship-building in Plymouth (supporting the National Ship Building Strategy) and Minerals/Mining in the wider region
- Increase investment in the area, especially FDI. Local anchor companies have identified opportunities for on-shoring and attracting foreign owned supply chain companies to Plymouth
- Increase innovation and economic specialisation in high GVA activities

These will lead to increased employment. We expect 450 jobs to be created at South Yard, 400 at Langage and 200 at Sherford. Whilst a number will be higher value jobs reflecting the profile of the marine/defence sectors and manufacturing industries the intent will be to provide jobs at all skill levels and opportunities to progress. We also expect addition employment in surrounding area.

Q12. 1.12 Please set out how you will meet the minimum standard of security and infrastructure required in customs and tax sites before being able to operate as a Freeport, as referred to in the prospectus (max 500 words).

#### Site Security

In accordance with the International Ship and Port Security Regulations, provisions within Section 92/93 of the Customs & Excise Management Act of 1979 (Customs Warehouses) and Section 100A-F (Free Zones), all designated zones will be defined on appropriate maps, protected via physical fencing, regularly patrolled via guards and monitored through CCTV. Port Operations, CCTV and appropriate provisions at designated intervals will protect the site and waterside. Where possible, technology supporting physical security will continuously monitor for indications of compromise.

#### Personnel

All personnel carrying out works within the Freeport will be subject to identity, criminal and security checks prior to commencing any activity. Personnel will undergo regular compliance training to ensure their familiarity with HMG and international regulations. Any visitors will require identification and accompanied by authorised personnel. Site authorised individuals are at all times required to have visible, clear identification (where safe to do so).

#### Tenants/Operators

Any potential Free Zone tenants and operators are subject to vetting for security compliance. All

Q12. 1.12 Please set out how you will meet the minimum standard of security and infrastructure required in customs and tax sites before being able to operate as a Freeport, as referred to in the prospectus (max 500 words).

enterprises and organisations operating within the Freeport will have proven identity & establishment and passed money laundering and criminal clearance checks. Any tenant or organisation operating within the Freeport will require adherence and to remain compliant with any technology security standards applicable to the Free Zone.

Any suspected illicit activity of tenants and/or operators will result in immediate revocation of their Free Zone operating license.

#### Monitoring Movements

Sample physical checks on all entry and exit points within the facility will be undertaken regularly. We will use automated scanning (x-ray, temperature, odour sensing etc.) and security systems for transit monitoring and productivity. We will conduct regular random checks on storage facilities. We will carry out phytosanitary checks to prevent import of plant infections. We will use sniffer dogs and other techniques to prevent illicit drug traffic.

Any inventory and warehouse management system will require approval prior to use in the facility. Customs warehousing and bonded transport operations systems (Chess/Descartes) will be required to produce virtual records that are easily interrogated and audited by HMRC (any commercial documentation supporting transactions taking place within the facilities: manufacture, assembly, packaging etc.)

#### Security operations

We will contract specialist custom and security operators with the latest technology and share intelligence on illicit cartels. Physical and digital security which is inter-connected and continuously tested for efficacy are key tenants of a holistic security infrastructure. The availability of high bandwidth communication technologies such as 5G is pivotal in connecting HD video surveillance, IoT sensors for vessel and shipment tracking, encrypted communications and geo-fenced security zones. With heightened cyber-risks it is proposed that the Freeport will develop novel new security testing methodologies and standards to continuously validate the efficacy of security, suppliers and supply chains, in addition to identifying mitigation techniques and continuity plans. Any tenant or operator within the Free Zone will be required to comply with standards defined by the freeport to mitigate risk, demonstrate best efforts in the event of a data breach/attack and monitor on a continuous basis for indications of compromise.

Q13. 1.13 Please provide clear economic rationale for the tax site(s), including: an explanation for the proposed locations and why they represent good value for money, how tax measures will generate additional economic activity, and how their proposed sites meet the criteria for being underdeveloped (max 500 words).

Our proposal has three tax sites. They are at South Yard, Langage and Sherford (also encompassing our customs sites within these last two sites). Detailed research on the available land within a 45km radius of our Port identified that there was no single location with sufficient space to make a viable tax site of the scale sufficient to deliver our vision for growth and jobs. However, this co-location of tax and customs sites maximises use of underdeveloped land and will enable us to make full and agile use of the levers available through Freeport designation.

The sites are the optimal choice for the area and offer the best value for money because they:

- Are located in identified growth areas
- Are already fully or partially serviced, thus reducing infrastructure costs. Langage also has discounted hot water, high pressure gas and electricity from the adjacent power station and green energy from the adjoining solar park
- Have excellent road connectivity, minimising the need for large-scale transport costs
- Enable us to deliver Freeport at pace

They meet the criteria for being under-utilised/under-developed. South Yard is a brownfield site partially released from MOD to regenerate into specialist infrastructure and facilities for high value marine and defence innovation and applications. Langage is located on agricultural land identified as a strategic employment location for attracting inward investment. It provides a unique offer due to its scale and location beside the strategic highway network. Sherford forms part of an exciting mixed use 'new

Q13. 1.13 Please provide clear economic rationale for the tax site(s), including: an explanation for the proposed locations and why they represent good value for money, how tax measures will generate additional economic activity, and how their proposed sites meet the criteria for being underdeveloped (max 500 words).

community' site on the outskirts of Plymouth. As symbiotic 'twin' sites both Langage and Sherford have been identified as strategic development sites, but are yet to be occupied and the Freeport will provide an opportunity to accelerate their delivery leading to significant additional employment and levelling up for SW Devon.

The tax benefits on offer will create additional employment by a) supporting the expansion of indigenous and foreign owned businesses and b) attracting additional inward investment through the supply chain.

With the range of tax incentives and space on offer, they both foresee opportunities for expansion into new areas of economic activity as well as opportunities to attract parts of their supply chain into the Freeport to form powerful innovation clusters. Early conversations with other prospective investors have also been favourable indicating that the sites will enable significant additional investment above current levels.

Based on our previous track record we are also confident that marine and defence innovation businesses will be attracted to South Yard, building on the Oceansgate Enterprise Zone offer. The first two development phases are complete with light industrial and offices over 95% occupied – showing early momentum and demand. We understand that new tenants will need to choose between the EZ and the Freeport offer. But the Freeport tax sites will confer additional benefits and we are confident that over the longer term, this will provide longevity.

Q14. 1.14 How do the tax sites' locations mitigate displacement of local economic activity from deprived areas (max 500 words)?

Designated sites within the Plymouth Freeport are all located centrally within the Plymouth Travel to Work Area, which has high levels of deprivation and poverty, particularly in the waterfront areas. Our twin tax sites at Langage and Sherford sit outside the most deprived areas but offer space and connectivity, which is in short supply around the waterfront. By adding space for activities such as warehousing and light manufacturing at these sites, land at South Yard will focus on higher value specialist marine activities. Discussions with commercial partners have indicated that this model will allow for expansion at all three sites with no displacement effects.

We will further mitigate any potential displacement by putting in place a gateway policy at all our tax sites. Businesses that express interest in the Freeport will need to demonstrate their status/plans, ensuring that the sites attract foreign direct investment and/or enable the expansion of indigenous companies (either foreign or UK owned) rather than the simple relocation of local businesses. Businesses will also be required to demonstrate additionality when applying for the benefits on offer. We will create an index to qualify new Freeport businesses to ensure they are making high use of the incentives and monitor them during their stay. Equally, by implementing the tax measures proposed by Government, we will minimise displacement, as the measures have been designed to do this.

The Freeport provides an opportunity to create a range of employment opportunities that will benefit the residents of Plymouth through both direct and spillover effects (which arise due to multiplier effects through the supply chain and spending of wages). To ensure deprived residents can benefit, a range of complementary measures will be put in place including:

- A targeted skills/jobs brokerage initiative – as part of our bespoke Employment & Skills Strategy (which includes a Marine Skills Academy) we will work with key employers to provide pre-employment training, work experience and guaranteed interviews to people in deprived communities and disadvantaged groups aligned with Plymouth's Inclusive Growth agenda; and,
  - Transportation solutions – we will ensure that transport solutions are available from deprived areas through both public transport as well as active travel measures.
- Displacement from other parts of the UK will also be mitigated:

- Displacement of cargo - by specialising in in high value, low volume cargo the volume of cargo displaced from other UK ports will be minimal and provide balanced UK port use, reducing road congestion around large ports;
- Displacement of marine sector businesses - our proposal is designed to complement/add value to this growing sector. For example, by enabling the growth of Babcock in Plymouth, the company will be able to

Q14. 1.14 How do the tax sites' locations mitigate displacement of local economic activity from deprived areas (max 500 words)?

provide new services for export, such as fitting out ships made in Rosyth, benefitting both dockyards and increasing UK capacity; and

- Creating positive innovation spill-overs – Plymouth is part of a marine innovation ecosystem extending from Southampton to Penzance, which aims accelerate innovation in the blue/marine economy. Innovation and skills development will generate wider spillover effects, levelling up the South West.

## Criteria A, B and C: Ability to deliver against the objectives

Q15. 2.1 Please supply a diagram of a logic model which gives an overview of the links between the activities and inputs, outputs, "outcomes" and impact of your proposed Freeport model. Guidance: Innovate UK, DFID 2011, "DfT" 2010, ODPM 2004 Please name the file: [survey(userid)]\_Logic\_Model. The file must be 1 side legible at A3 and less than 50MB.

- File: 158400489\_Logic\_Model.docx

Q16. 2.2 Referring to the logic model, please explain how your Freeport proposal will meet the objectives of the policy and achieve the desired outcomes listed in this prospectus (max 3000 words). As part of your answer, please consider: Why a Freeport is the right public intervention for your proposed location, including any local economic strengths or strategies that your proposal will build on and any identified economic needs or market failures you expect to remedy. How the outputs you expect your Freeport proposal to generate will support or enable the key outcomes associated with this objective. Note - your answers to 1.10, 1.11, 1.12, 1.13 and 1.14 above will all be considered as part of the assessment of this answer in addition to this answer. You do not need to repeat information from those questions in this answer.

Plymouth is ideally located to benefit from a Freeport and has developed a strong proposal to deliver against the government's three objectives of establishing a national hub for global trade and investment, promoting regeneration/job creation and creating a hotbed for innovation. As Britain's Ocean City it is located on the border of Devon and Cornwall in the far South West of England. With a natural harbour and sheltered water, Plymouth has direct deep water access to the English Channel and Atlantic ocean which is ideal for accessing European and global markets as well as future offshore wind sites. It also benefits from a major arterial road (the A38 Devon Expressway) linking to the M5 which is comparatively uncongested.

The city is home to Devonport Dockyard - one of the largest naval bases in Europe with unique nuclear defence capabilities and associated opportunities. A Defence Mapping Research project completed in 2020 indicated £2.6bn GVA deriving from those sectors most closely aligned to defence within the region with the potential to rise to £6.9bn by 2040 through increasing bedrock capacity and investing in innovation. Plymouth also benefits from a range of world class businesses and innovation assets in marine autonomy/marine renewables with defence and civil applications, underpinned by a strong manufacturing sector. This includes the Oceansgate Enterprise Zone in South Yard, the University of Plymouth's Marine Institute, Plymouth Marine Laboratory and the Smart Sound Plymouth's well-instrumented ocean technology proving ground which will soon offer the UK's first 5G connected ocean test bed. The Marine Business Technology Centre (MBTC) innovation programme brings these assets together to position the UK at the heart of the future blue economy and clear global opportunities. Plymouth is central to Great South West's High Potential Opportunity (HPO) for Marine Autonomy.

The City and surrounding area has enormous potential with global competitive advantages but it has historically suffered from comparatively low levels of productivity, higher than average unemployment, lower jobs density, fewer residents with Level 4+ qualifications and below average full time wages. GVA per filled job in Plymouth has consistently been significantly below UK average, at 75.5% of the UK average in 2014, rising to 77.9% in 2018. Similarly, both the ILO and claimant count measures show above average unemployment. Whilst the ILO unemployment has fluctuated over the past 5 years, in June 2020 it was 4.9% compared to 4% for the UK and the more recent claimant count data shows that

Q16. 2.2 Referring to the logic model, please explain how your Freeport proposal will meet the objectives of the policy and achieve the desired outcomes listed in this prospectus (max 3000 words). As part of your answer, please consider: Why a Freeport is the right public intervention for your proposed location, including any local economic strengths or strategies that your proposal will build on and any identified economic needs or market failures you expect to remedy. How the outputs you expect your Freeport proposal to generate will support or enable the key outcomes associated with this objective. Note - your answers to 1.10, 1.11, 1.12, 1.13 and 1.14 above will all be considered as part of the assessment of this answer in addition to this answer. You do not need to repeat information from those questions in this answer.

unemployment had doubled between Nov 2019 and Nov 2020. Despite benefiting from a number of world class assets and strengths, Plymouth ranks within the 20% most deprived local authority districts in England on the average score summary measure and has 28 Lower Super Output Areas (LSOAs) in the most deprived 10% in England. Indeed two wards near the port and Devonport South Yard (St Peter & the Waterfront and Devonport) contain LSOAs in 1% most deprived in the whole country. They also have a particularly high claimant count (at 10.1% and 9.2% respectively). The recent Centre for Cities Annual report, identifies Plymouth as the only major city (along with Chatham – another formal Naval anchored location) in the South of England with a major Levelling Up agenda to address. The freezone will play an important part in addressing this challenge.

In addressing the considerable need to level up, this proposal builds on the area's strengths and previous innovation investments, particularly in the marine and defence sectors with the aim of unleashing the potential of our port city and its proud maritime history. As well as having political commitment, the proposal has the backing of the Port, the local knowledge base and key anchor businesses including MOD Defence Prime, Babcock and luxury yacht manufacturer, Princes Yachts. We are confident that the combination of these ingredients makes Plymouth the right location for the intervention and we are committed to moving the proposal forward at pace.

Key activities:

We have identified seven key activities that underpin our proposal:

1. Reconceptualising the Port for cargo enrichment and maximum throughput - the Port of Plymouth has a range of facilities for different cargoes at Millbay and Cattewater with some established freight routes and aspirations /opportunities for growth but they are currently constrained by space. [REDACTED]. This proposal will make use of nearby under-utilised land to add temporary storage capacity as well as longer term bonded warehousing and product processing to create a national hub for trade and investment, supporting regeneration and job creation. This will unlock berth capacity and significantly increase cargo throughput and value.

The Port will seek to increase the flow of vessels, particularly for high value/low volume cargoes. This will be driven primarily by our expanding marine and defence clusters as well as opportunities to focus and specialise on Project Cargo for ship work (supporting the national ship building agenda) as well as mining, health tech, offshore renewable energy, food processing. Britany Ferries, which operates from Millbay as a primarily seasonal scheduled Ro-Pax operation, supports this bid and [REDACTED] as well as shifting its mix towards freight and high value tech cargo. Other shipping operators have also expressed interest.

In recognition of current issues with the post-Brexit UK land-bridge, the Port will also offer feeder services and a 'stop off point' for vessels effectively creating a new RORO cargo exchange service for Ireland routes avoiding any UK tariff or documentation. This will support short sea shipping imperatives (and therefore net zero targets as smaller ships decarbonise) as well as benefitting other ports.

In developing our customs model we will aim to offer transit facilities which will enable us to move as much customs compliance away from the Port as possible and appropriate. The simplified customs procedures at our customs sites will support increase in trade.

2. Global strategic marketing of the customs and tax sites to attract investment – the Freeport will be marketed to businesses which can both benefit from and contribute to the opportunity. We will create a unique offer verse other international Freeports by focusing on the marine and defence clusters this will attract new supply chain businesses into the Freeport area, including on-shoring FDI able to leverage/ contribute to the innovation cluster and testing/trialling facilities, e.g. Plymouth Smart Sound. [REDACTED]

[REDACTED] We will also leverage Plymouth's existing FDI account management expertise to support this activity as well as the South West's HPO projects.

Q16. 2.2 Referring to the logic model, please explain how your Freeport proposal will meet the objectives of the policy and achieve the desired outcomes listed in this prospectus (max 3000 words). As part of your answer, please consider: Why a Freeport is the right public intervention for your proposed location, including any local economic strengths or strategies that your proposal will build on and any identified economic needs or market failures you expect to remedy. How the outputs you expect your Freeport proposal to generate will support or enable the key outcomes associated with this objective. Note - your answers to 1.10, 1.11, 1.12, 1.13 and 1.14 above will all be considered as part of the assessment of this answer in addition to this answer. You do not need to repeat information from those questions in this answer.

Research has shown the significant contribution that overseas investment can have on local economies. We will work closely with UK and international businesses, proactively brokering relevant relationships, to ensure that the investment provides opportunities for the growth of companies in the supply chain both within Plymouth and the wider economy.

3. Land remediation (capacity expansion sites) – we will undertake the necessary land assembly, site remediation, and transport links to deliver the tax and customs sites within the Freeport subzone, accelerating these sites to overcome the market failures associated with high development costs.

4. Supporting Infrastructure – specific policies have already been agreed in conjunction with the Transport Strategy Working Group to deliver major improvements on the intersections of the city and the A38 including specifically the Deep Lane junction which links the sites at Sherford and Langage Energy Park to the A38. It will be essential to bring these forward through the Freeport proposal to ensure appropriate access. We will also remediate the Octagon Roundabout in Plymouth City near Millbay Port to improve port access for larger articulated HGVs. These activities form a major part of our seed capital investment costs and are key to unlocking the sites.

5. Land remediation (innovation hotbed site) - the Freeport proposal will help to galvanise our existing innovation activity through the progression of a new Innovation Centre at Oceansgate which will become a major collaboration hub for marine and defence innovation. The proposal includes land remediation for the Centre itself and an essential car park to accommodate increased jobs and visitor numbers to the Hub.

6. Research and Innovation Strategy – linked to the above, we will develop a focused Research & Innovation Strategy for the Freeport around both marine and defence sectors. For marine, we will build on the impressive work of the MBTC, Smart Sound Plymouth and the Future Autonomous at Sea Technologies (FAST) cluster. The local marine innovation ecosystem is very mature and has the potential to exponentially grow both in terms of bring on new enabling technologies but also use case applications, tested prototypes, and tomorrow's products. The ecosystem has inherent strengths in autonomous systems and affiliated solutions in robotics, communication, big data, sensors and AI. Its other key focus areas are clean propulsion (EV, hydrogen and hybrids) and digital ocean technologies (including ocean simulations, maritime cyber security, and alike). These and other strengths in automatic berthing solutions lend Plymouth well to smart Port Operation and secure Custom Procedure innovation. Local company, Thales, for example, specialises in smart borders – as do others like Bosch and Devon based Spirent who all support this bid.

For defence, we will continue to work with the recently formed South West Regional Defence Cluster to ensure the Freeport becomes one of its hotbeds and will fully support the DASA new high tech innovation procurement initiative. Plymouth based, MSubs is a classic example of a SME working in close partnership with others, primes and MoD winning DASA contracts to develop cutting-edge solutions that transform defence thinking.

The Freeport Regulation Engagement Network will be a great benefit to Plymouth and especially Smart Sound autonomy trialling. As example, several FAST cluster members sit on the Maritime Autonomous Systems Regulatory Working Group (MASRWG). The primary aim of this group is to develop a Code of practice that will establish practical guidance, standards, and best practice for those who design, build, manufacture (including testing and commissioning), own, operate and control autonomous and semiautonomous maritime autonomous surface ships (MASS) primarily less than 24m. FREN will super charge this world leading discussion.

Attracting FDI and new businesses to leverage our Freeport ecosystem will naturally turnaround the previously low levels of R&D investment across the South West.

There will also be a strong alignment between the innovation and skills development objectives (see

Q16. 2.2 Referring to the logic model, please explain how your Freeport proposal will meet the objectives of the policy and achieve the desired outcomes listed in this prospectus (max 3000 words). As part of your answer, please consider: Why a Freeport is the right public intervention for your proposed location, including any local economic strengths or strategies that your proposal will build on and any identified economic needs or market failures you expect to remedy. How the outputs you expect your Freeport proposal to generate will support or enable the key outcomes associated with this objective. Note - your answers to 1.10, 1.11, 1.12, 1.13 and 1.14 above will all be considered as part of the assessment of this answer in addition to this answer. You do not need to repeat information from those questions in this answer.

below) including marshalling specific PhDs opportunities.

7. Employment and Skills Strategy - working with our education providers we will put in place a bespoke Employment and Skills Strategy, through aligned activity, to ensure that local people can benefit from the opportunities available through the Freeport, linked to Plymouth's Inclusive Growth initiative. The manufacturing sector in Plymouth is higher than most UK cities, is dominated by a few large organisations, and includes a number of Foreign Direct Investors but one of its key persistent challenges is skills shortages. [REDACTED] is currently assessing the strategic need for Suitably Qualified and Experienced Personnel to support critical Defence contracts in the future. The demand plan shows a significant increase in the number of trained personnel. The Plymouth Freeport will galvanise efforts to up-skill employees, including those vulnerable to redundancy as a result of the pandemic. We are keen to adopt the Lifetime Skills Guarantee initiative to put industry at the heart of the skills development agenda. We will look to form a Marine Skills Academy working with the marine cluster already here and the new players that the Freeport will bring. The aim would be to provide Babcock, Princess Yachts, Port operators and other adjacent industries the opportunity to upskill the numbers of personnel needed to meet the regional current and future demand and enhance local development. City College Plymouth has already responded by creating a bespoke facility to deliver new university-level courses on Marine Autonomy. See Section 1.14 for an overview of how we will ensure that deprived residents can benefit from this.

Outputs and Outcomes - all of the activities associated with this proposal will strongly support the government's levelling up agenda and sustainable economic growth. Research has shown that increasing the share of manufacturing in UK economic activity will have positive effects on productivity, wage levels, employment and R&D. Specifically:

- In establishing a national hub for global trade and investment – reconceptualising our port offer will lead to a substantial (60%) increase in tonnage (and enrichment in value) coming through along with the creation of a new RORO exchange service. We also expect to have 75 businesses trading through the Freeport with 10 FDIs attracted by 2030 and 100 surrounding businesses expanded. These outputs will make a strong and direct contribution to the government's expected outcomes of increasing trade throughput and investment (especially FDI). The marine and defence businesses we are targeting currently export a relatively high proportion of their output and with the opportunities associated through the Freeport this could increase substantially. This aspect of the proposal will also improve regional connectivity and contribute to net zero targets with a net zero Freeport having been achieved by 2030.
- In supporting local regeneration and job creation - 108 hectares of underutilised land released for further development of which, 36 hectares are able to be brought forward immediately with planning consent already in place. More than 1,000 new jobs will also be created. Jobs will be created at all levels (e.g. from warehouse operatives through to management and technical specialists), of which 400 will be high value jobs. This will help to address Plymouth's lower than average wage profile. Through aligned activity 600 people will be up-skilled to take advantage of those jobs. Working with our educational providers we will establish a Marine Skills Academy and by 2027 will also create at least 60 new apprentices and 10 internships annually. These outputs make a strong and direct contribution to the government's expected outcomes of increasing jobs and average wages as well as increasing economic activity through economic specialisation in activities high in GVA (productivity in the marine sector is currently 7% above the city average). We would also expect to see a decrease in deprivation as measured by Plymouth increasing its score on the Index of Multiple Deprivation.
- In creating a hotbed for innovation – with a strong zero carbon focus we will deliver 2,000 square metres of additional innovation space alongside Babcock DST research offices and attract £20 million private R&D investment per year from 2027 rising 5% annually. With 40 business/HEI collaborations taking place annually from 2022, there will be at least 5 new products developed annually from 2024 and 10 new patent applications submitted annually from 2027 onwards. From 2021 partners will also host up to 5 PhD projects at any one time. In addition to the jobs created elsewhere in the proposal, we will create an incremental rolling tide of 200 new jobs every 10 years as maturing business graduate Oceansgate

Q16. 2.2 Referring to the logic model, please explain how your Freeport proposal will meet the objectives of the policy and achieve the desired outcomes listed in this prospectus (max 3000 words). As part of your answer, please consider: Why a Freeport is the right public intervention for your proposed location, including any local economic strengths or strategies that your proposal will build on and any identified economic needs or market failures you expect to remedy. How the outputs you expect your Freeport proposal to generate will support or enable the key outcomes associated with this objective. Note - your answers to 1.10, 1.11, 1.12, 1.13 and 1.14 above will all be considered as part of the assessment of this answer in addition to this answer. You do not need to repeat information from those questions in this answer.

Innovation Hub to the capacity expansion sites and new ones replace them. These outputs make a strong and direct contribution to the government's expected outcomes of increasing local involvement and funding in R&D/innovation and increasing productivity through increased capacity to absorb innovation. GVA will be boosted through increasing high value economic activity and productivity will be increased by enabling efficiencies through closer supply chain integration and investment in capital equipment through the tax measures.

#### Strategic Alignment

This proposal has been drawn up in conjunction with the relevant (private sector) land owners/operators and with some early input from businesses. In co-creating the proposal we have started to harness ideas from the private sector as well as their investment to ultimately deliver jobs and regeneration. Further, as the Freeport draws investment and becomes increasingly occupied by complementary international businesses we expect to see a range of spillovers, clustering benefits and global hub partnerships.

It is fully aligned with regional and local priorities and has the potential to support the area's wider ambitions. The Heart of the South West, Cornwall & Isles of Scilly, Solent and Dorset LEPs have all identified the marine sector as a priority for growth. This reflects a successful marine and advanced manufacturing sector and an impressive range of research and development facilities. These assets are reflected in the aims of the 'Great South West,' a coalition of neighbouring LEPs which are striving to position the area as a test-bed for accelerating innovation in the blue/green economy in the pursuit of clean growth. The Freeport proposal will support these objectives.

Work by the Heart of SW LEP has shown that the marine industry in its area is worth £406m pa in GVA and 7,900 FTE jobs with 2.7% pa estimated growth potential over the next 10 – 15 years. However, it has also identified that urgent investment is needed to seize this opportunity while it is still available. With its focus on clean growth, the Heart of the SW's Local Industrial Strategy has an explicit commitment to leading the development and commercialisation of marine autonomy and the DIT has selected Devon and Plymouth as a High Potential Opportunity for Marine Autonomy. The sector also features strongly in the area's plans to 'Build Back Better' in response to the Covid-19 pandemic. Maritime UK SW, industry, academia, regional and local government, have joint developed the 'Future Ocean Institute' to collectively plan SW marine innovation and investment strategy to deliver Maritime 2050 goals, net zero targets, and the levelling up agenda in the South West.

Likewise, defence has been recognised as a transformational opportunity by the LEP which invested in a Defence Mapping Research in 2020. The report recommended that a programme be established with the necessary resources to enable execution of a coherent, regional plan for the activities of the networking clusters, their technology centres of excellence and the business support and market engagement services to take advantage of the opportunity. Adoption of this recommendation is expected to increase the awareness and appreciation of the addressable market and the likelihood of successful contract awards that will offer both regional competitive advantage and productivity gains.

## Criterion D: Deliverability of proposal effectively at pace

Q17. 3.1 Describe how the Local Authority will create an appropriate planning environment to ensure the quick and efficient delivery of the Freeport proposal, including delivery of key investment proposals within this bid (max 750 words)?

The spatial priorities, strategic objectives and policies set out in the Plymouth and South West Devon Joint Local Plan (2014-2034) (JLP) covering the Plymouth Policy Area and urban fringe, support the land utilisation set out in our Freeport bid and will facilitate swift planning decisions and rapid development of the sites.

Q17. 3.1 Describe how the Local Authority will create an appropriate planning environment to ensure the quick and efficient delivery of the Freeport proposal, including delivery of key investment proposals within this bid (max 750 words)?

The (JLP) is part of a ground-breaking strategic planning process for Plymouth and South West Devon, which looks ahead to 2034 to set out a vision and framework for the future development of the area. Adopted by South Hams District Council, Plymouth City Council and West Devon Borough Council (the LPAs) in March 2019 it provides the statutory development plan for the combined administrative area. The JLP establishes an over-arching strategic framework for sustainable growth and the management of change, ensuring that there is no danger of diversion and displacement of development. It helps to deliver growth in the economy supported by the Local Authority rather than redistributing development elsewhere and undermining areas set for employment uses.

All three identified sites are currently allocated within the JLP for employment floor space ensuring that there is already sufficient detail within the plan to provide clarity to developers, local communities and other interested parties about the nature and scale of development and to ensure the quick and efficient delivery of the Freeport proposal.

- PLY33 – Oceansgate
- PLY48 - Sherford new community
- PLY51 – Langage

The Plymouth LPA supports the implementation of the existing planning permissions and masterplan relating to the strategic development proposals for the Oceansgate project at South Yard. Our proposals for the South Yard tax site are either supported by these policies and permissions or where they are outside the Oceansgate footprint are deliverable within the criteria and current land allocation in the JLP.

The LPAs support the implementation of the existing planning permissions and masterplan relating to the strategic development proposals for the Sherford new community. Provision is made for 67,000 sq.m. of employment floorspace the relevant land at Langage is already allocated for employment development in as an extension to the existing strategic employment site. Provision is already made for about 243,000 sq.m. of employment floorspace.

Deep Lane Junction is located on the A38 trunk road (also known as the Devon Expressway). The junction links the A38 to the Langage employment site to the north and the Sherford new community to the south these are subject to the Sherford 106 Deep Lane works commitment.

The sites which are all within the Plymouth Plan and Urban Fringe spatial planning area are located across two separate Local Authority areas in Plymouth and South Hams. The LPAs have a strong record of delivering and processing major planning applications. The 2018/19 Authority Monitoring Report for performance between 01/04/2018 and 31/03/2019 shows that 92 of 103 major planning applications were delivered within 12 weeks. The LPAs have already established a joint local authority partnership board to provide oversight of planning matters in the urban fringe where the Langage and Sherford Tax and Customs site(s) is (are) located. This will ensure that any unforeseen cross boundary issues arising when additional planning consents are required are expeditiously resolved. The inclusion of Sherford is conditional on being able to confirm boundaries of proposed tax sites in detailed business case (guidance at 5.1.3).

We have considered how a Local Development Order could support our proposed development and we have concluded that the JLP with pre-existing consents covering the three sites provides a similar mechanism, enabling the delivery of 37 hectares of the 108 hectares land for immediate development. By adopting the JLP and utilising the existing mechanism offered by Urban Fringe Development Partnership we can rapidly deliver necessary permissions that do not require revision to the relevant development policies within the JLP. We recognise also that government intends to review related national policy guidance and that this may offer additional permitted development rights.

Whilst we recognise the emphasis put on LDOs within the Bid prospectus the effort that would be required to bring one forward would significantly exceed that required to ensure we deliver major planning consents within the statutory timeline and given the certainty already offered to developers by the development policies set out in the JLP we see no advantage to bringing forward an LDO. However if our bid is successful and as we further develop our plans we identify any planning requirement that would require revision of the relevant master plan in the JLP we would give further consideration to benefits an LDO might offer.

Q18. 3.2 Please outline the minimum viable version of your investment proposal, including costs, the sources of funding that will meet those costs (for any borrowing please identify who will undertake the borrowing), and the expected outputs/benefits. Please show how you will make use of retained business rates.

	Cost Description	Funding Source	Responsible Partner	2021/22 (£000)	2022/23 (£000)	2023/24 (£000)	2024/25 (£000)	2025/26 (£000)
1	Capital - Langage - Transport Link	Grant/Borrowing/s106	Plymouth City Council	1,000	6,000	3,000	0	0
2	Capital - Langage - Land Assembly	Grant/Borrowing/s106	Plymouth City Council	2,000	0	0	0	0
3	Capital - Langage - Core Infrastructure	Grant/Borrowing/s106	Plymouth City Council	250	0	0	0	0
4	Capital - PCC - Transport Link	Grant/Borrowing/s106	Plymouth City Council	200	0	0	0	0
5	Capital - South Yard - Land Remediation	Grant/Borrowing/s106	Plymouth City Council	1,333	2,667	0	0	0
6	Capital - South Yard - Site Preparation	Grant/Borrowing/s106	Plymouth City Council	1,183	2,367	0	0	0
7	CAPITAL TOTAL	-	-	5,967	11,033	3,000	0	0
8	Income - company registration & licence fees	External	Plymouth City Council	0	112	171	256	2,264
9	Income - Land owner management fees	External	Plymouth City Council	0	563	574	586	3,098
10	Income - Other fees	External	Plymouth City Council	0	10	16	23	208
11	Income - Retained NNDR	NNDR	Plymouth City Council/South Hams	0	0	443	667	7,006
12	Expenditure - Borrowing Costs	Retained rates/income	Plymouth City Council	0	0	-241	-350	-1,752
13	Expenditure - Business case resourcing	Business case grant	Plymouth City Council	-160	0	0	0	0
14	Expenditure - Staff costs	Retained rates/income	Plymouth City Council	0	-662	-891	-908	-4,822

Q18. 3.2 Please outline the minimum viable version of your investment proposal, including costs, the sources of funding that will meet those costs (for any borrowing please identify who will undertake the borrowing), and the expected outputs/benefits. Please show how you will make use of retained business rates.

15	Expenditure - Overheads/other costs	Retained rates/income	Plymouth City Council	0	-136	-160	-184	-976
16	TOTAL	-	-	-160	-113	-88	90	5,026
17	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-

Q19. Please briefly state the expected outputs/benefits of your minimum viable proposal (max 100 words):

- 50% increase in Tonnage through Port (with enriched value)
- New RORO cargo exchange service
- 66 businesses trading through Freeport by 2027
- 6 FDI by 2030 (£60m investment)
- 60 businesses expanded (wider boundary)
- 95 hectares of underutilised land released for development
- 890 new jobs created (328 high value)
- 500 people upskilled
- 40 apprenticeships and 8 internships annually by 2027
- Local Marine Skills Academy
- 2,000 SqM innovation space

Q19. Please briefly state the expected outputs/benefits of your minimum viable proposal (max 100 words):

- £20M Private R&D investment per year 2027
- 40 business/HEI collaborations annually from 2022
- 5 new products developed annually from 2024
- 10 new patents
- 5 PhD projects at any one time from 2024

Q20. 3.3 Please outline your preferred investment proposal, including costs, the sources of funding that will meet those costs (for any borrowing please identify who will undertake the borrowing), and the expected outputs/benefits. Please show how you will make use of retained business rates.

	Cost Description	Funding Source	Responsible Partner	2021/22 (£000)	2022/23 (£000)	2023/24 (£000)	2024/25 (£000)	2025-30 (£000)
1	Capital - Langage - Transport Link	Grant/Borrowing/s106	Plymouth City Council	1,000	6,750	4,000	0	0
2	Capital - Langage - Land Assembly	Grant/Borrowing/s106	Plymouth City Council	2,000	0	0	0	0
3	Capital - Langage - Core Infrastructure	Grant/Borrowing/s106	Plymouth City Council	470	1,000	0	0	0
4	Capital - Sherford - Transport Link	Grant/Borrowing/s106	Plymouth City Council	1,000	6,500	2,500	0	0
5	Capital - Sherford - Site Preparation	Grant/Borrowing/s106	Plymouth City Council	1,000	1,000	0	0	0
6	Capital - PCC - Transport Link	Grant/Borrowing/s106	Plymouth City Council	200	0	0	0	0
7	Capital - South Yard - Land Remediation	Grant/Borrowing/s106	Plymouth City Council	1,333	2,667	0	0	0
8	Capital - South Yard - Site Preparation	Grant/Borrowing/s106	Plymouth City Council	1,193	2,387	0	0	0
9	CAPITAL TOTAL	-	-	8,196	20,304	6,500	0	0
10	Income - company registration & licence fees	External	Plymouth City Council	0	112	171	256	2,264
11	Income - Land owner management fees	External	Plymouth City Council	0	840	856	873	4,617
12	Income - Other fees	External	Plymouth City Council	0	10	16	23	208

Q20. 3.3 Please outline your preferred investment proposal, including costs, the sources of funding that will meet those costs (for any borrowing please identify who will undertake the borrowing), and the expected outputs/benefits. Please show how you will make use of retained business rates.

13	Income - Retained NNDR	NNDR	Plymouth City Council/South Hams	0	0	545	822	8,625
14	Expenditure - Borrowing Costs	Retained rates/income	Plymouth City Council	0	0	-389	-627	-3,134
15	Expenditure - Business case resourcing	Business case grant	Plymouth City Council	-160	0	0	0	0
16	Expenditure - Staff costs	Retained rates/income	Plymouth City Council	0	-662	-891	-908	-4,822
17	Expenditure - Overheads/other costs	Retained rates/income	Plymouth City Council	0	-136	-159	-183	-972
18	TOTAL	-	-	-160	164	149	256	6,786
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-

Q21. Please briefly state the expected outputs/benefits of your preferred proposal (max 100 words):

- 60% increase in Tonnage through Port (with enriched value)
- New RORO cargo exchange service
- 75 businesses trading through Freeport by 2027
- 10 FDI by 2030 (£100m investment)
- 100 businesses expanded (wider boundary)
- 108 hectares of underutilised land released for development
- 1,090 new jobs created (400 high value)
- 600 people upskilled
- 50 apprenticeships and 10 internships annually by 2027
- Local Marine Skills Academy
- 2,000 SqM innovation space
- £20M Private R&D investment per year 2027
- 40 business/HEI collaborations annually from 2022
- 5 new products developed annually from 2024
- 10 new patents
- 5 PhD projects at any one time from 2024

Q22. 3.4 Please provide evidence of the commercial demand for the relevant outputs under your proposal (max 250 words).

In a short time, we have secured considerable commercial interest in our Freeport proposal and we anticipate that this will grow as the opportunity matures and is marketed professionally.

#### Marine/defence innovation

The OECD predicts the Ocean Economy will double between 2010 – 2030, to \$3 trillion with key growth opportunities in marine manufacturing, offshore renewables and marine autonomy, which this proposal supports. Specifically in relation to our offer at South Yard, phases 1 and 2 have already attracted several businesses including the growing Babcock Defence Systems Technology innovation team plus SME members of the Princess Yachts technical supply chain. Our proposals will enable the third phase of development to proceed as well as allowing existing businesses to re-configure operations freeing-up additional prime waterfront for marine and defence innovation, prototyping and technology application uses. Specific demand has been identified from [REDACTED] (detailed in 4.3).

#### Light manufacturing, warehousing and logistics

Engagement with Chartered Institute of Logistics and Transport, local land agents and businesses suggests that demand for light manufacturing, logistics and warehousing space is currently constrained by the availability of land that is ready for development. Our proposal unlocks key sites at scale and thus meet this latent demand, as well as attracting new manufacturing opportunities to transform our economy. Existing manufacturers have highlighted opportunities to make new investments into the Freeport – especially those with high value imported components.

With capacity issues facing other key UK ports plus net zero, regional ports need to play an increasing role.

Q23. 3.5 Please tell us how you are modelling future income from locally retained business rate growth and how you will apportion it (of particular importance if your tax site crosses multiple local authorities) (max 250 words).

Rateable values modelled on employment floor space (m2) potential at a density range of between 25% and 40% appropriate to each site underpin our inflation linked business rates yield calculation using an annual multiplier increase of 0.48% from 2022/23 onwards. Conservative estimates of occupancy levels, allowing for phased delivery across the sites, and marketing success are used to generate annual occupancy percentages which are then used to estimate the business rates income over 25 year retention period.

Freeport zone business rate growth will be used to fund borrowing, and where surpluses are generated will be used to match fund against additional required investment in Freeport sites. Each Local Authority would be required to set budgets for revenue contributions to fund the borrowing requirements

Q23. 3.5 Please tell us how you are modelling future income from locally retained business rate growth and how you will apportion it (of particular importance if your tax site crosses multiple local authorities) (max 250 words).

undertaken by the Lead Authority within their medium term financial planning (MTFP) process based on forecast income, as part of overall revenue resources required for Council budget setting. The development of a detailed business case will identify the revenue contributions required for 2023/24 through income modelling of growth above baseline, and risks of growth not being achieved will be incorporated within revenue budget monitoring or MTFP.

All three participating Local Authorities are members of the Devon Business Rates Pool. The pool, one of 22 nationally, has well established governance procedures and a strategic focus. It was among the first established in 2013/14 and has operated in every year since, receiving Business Rates Pilot status in 2018/19. Plymouth is the lead authority and will undertake the capital borrowing.

Q24. 3.6 Please set out how you would make use of the innovation levers, including (max 750 words total): ambition and initial ideas for how innovation funding could be delivered as part of your Freeports proposals, including any industry commitment to invest in innovative activity or the testing of new technologies in Freeports plans to work with academic institutions and link into existing innovation structures where appropriate to establish Freeports as collaboration hubs. how you would look to take advantage of the Freeportsâ€™ Regulatory Engagement Network

#### Strong Beginnings

Plymouth established Oceansgate, the UK's first Marine Enterprise Zone in Devonport South Yard in 2016 developing industrial units and offices for primes and SME to cluster. The Marine Business Technology Centre (MBTC) was also formed as a pure marine sector innovation programme – a partnership between University of Plymouth, the University of Exeter, Plymouth Marine Laboratory, Marine Biological Association and local government.

The MBTC supports over 600 Devon business, finding UKRI, MariUK and other innovation grants and provides deep technical innovation support. It leverage testing facilities deployed in the Plymouth Sound and coastal waters. Smart Sound is a leading proving ground for autonomous systems and leveraged by companies like Thales, MSub, Marine AI, Fugro and others. The cluster swarming to Smart Sound a now well organised in the Future Autonomous at Sea Technologies (FAST) cluster involving over 40 key businesses.

Smart Sound will soon boast 5G test beds and a Mesh network covering ocean waters up to 20 miles offshore – allowing trials of latest AI and digital ocean technology – an international showcase planned for July 2021.

This innovation hotbed gem is recognised by DIT as a High Potential Opportunity (HPO) for Marine Autonomy and we are also seeking Innovation Hub status from the DfT.

#### The Future

This HPO and two other HPO in Dorset and Cornwall for Aquaculture and Offshore Renewable Energy (ORE) has brought together a wider cluster of 100 organisations to develop synergistic plans for marine innovation and investment. Focusing on key demonstrable strengths nationally and globally – and doubling down combined efforts and shared resources. This initiative has a working title of the Future Ocean Institute (FOI) (see appendix 6 for positioning document) and its aim is to position the UK at the heart of the future blue economy that is projected to be worth \$3 trillion by 2030.

#### FOI Core Propositions

1. Marine Autonomy
2. Digital Ocean
3. Clean Propulsion

#### Target Markets

- Defence solutions
- Cyber Secure Smart Shipping
- Smart Ports and Intermodal Connectivity
- Seabed Mapping

Q24. 3.6 Please set out how you would make use of the innovation levers, including (max 750 words total): ambition and initial ideas for how innovation funding could be delivered as part of your Freeports proposals, including any industry commitment to invest in innovative activity or the testing of new technologies in Freeports plans to work with academic institutions and link into existing innovation structures where appropriate to establish Freeports as collaboration hubs. how you would look to take advantage of the Freeportsâ€™ Regulatory Engagement Network

- ORE – smart logistics and support systems
- Marine Science
- Aquaculture

We will trial and test for port and customs deregulation in the Smart Sound trialling area which will include obstacles and an unused wharf at [REDACTED] for trialling port operations technology. Smaller ports with discrete cargo flows between bonded zones are ideal spaces for testing that would not be possible in busier shipping areas – we are great for [REDACTED] support in this.

The FOI multi-million pound programme aligns fully with the Freeport proposal, providing a boost and raising the profile of the innovation work already underway. It has the potential to enable cross-Government and regional collaboration to develop and attract high value jobs, increase productivity and economic activity. It can also deliver immediate benefit to Ministry of Defence as a key part of the defence innovation ecosystem and ties into the DASA innovation procurement programme.

A Plymouth Freeport would super charge this already powerful combination. Allowing FDI to innovate in deregulated testing areas, to set up tax efficient prototyping workshops that lead to production runs and further full-scale manufacturing investment leveraging the strong manufacturing skill in Plymouth and increasing new skill adoption and employment. We are keen to attract leading firms in maritime decarbonisation. The Freeport would allow these operators to assemble and integrate clean propulsion solutions in tax free zone – and create a product and service export.

The clustering is organically growing – with Freeport and other aligned interventions, we expect a super cluster effect. A key reason for this bid. To this we plan to expand our Oceansgate hub to include a new Marine and Defence Innovation Centre alongside the research teams of [REDACTED] and [REDACTED].

We are excited about FREN. We would be keen to deregulate Smart Sound as an innovation space (see appendix 2 for regulations we wish to redefine). We hope to leverage Smart Sound as regulatory sandboxes and certification area of new solutions and are in talks with NPL and Lloyds. Our FREN co-ordinator is the SRO – Richard May.

The Freeport innovation programmes will have clear data sharing protocols that conform to GDPR but also respect Intellectual Property Rights when apparent or declared. We will also support business in relation to protecting and making best use of IPR.

We have had a get response when canvassing our marine and defence innovation partners while preparing this bid (some letters attached in appendix 7). Their interest is serious and forms a key part of our reason to create a leading UK Freeport innovation hotbed.

Q25. 3.7 What considerations and mitigating actions will be taken into account for potential negative externalities (including the displacement of economic activity) affecting your site and/or the surrounding area resulting from the introduction of the Freeport (max 250 words)? If applicable, please reference your answer to Q1.14.

Potential negative impacts arising from the Freeport could include:

- Displacement of economic activity – see response 1.14
- Increase in illicit activity – see response 1.12
- Increased noise – although there is the potential for the increase in freight traffic to increase noise and disturbance for local residents, the parts of the Port that will be used are largely away from residential areas and the additional tax/customs sites will be on under-developed land, thus minimising impact to the extent that is possible. Langage (the largest site) is partly greenfield and not directly near housing
- Increased emissions – the increase in freight traffic will potentially increase local air pollution, with consequences for health and the local environment. Section 3.9 outlines how this will be mitigated. However, increasing the volume of freight brought in through the Port of Plymouth, rather than more distant UK ports, will reduce national emissions from the transport sector as a whole, as well as reducing

Q25. 3.7 What considerations and mitigating actions will be taken into account for potential negative externalities (including the displacement of economic activity) affecting your site and/or the surrounding area resulting from the introduction of the Freeport (max 250 words)? If applicable, please reference your answer to Q1.14.

congestion on trunk roads elsewhere. In the medium term, our innovation activity, which is highly focused on achieving net zero emissions within the marine/maritime environment will also lead to reductions in emissions

- Damage to marine protected areas – Plymouth Sound is a unique natural environment and one of the most highly designated marine sites in the UK. Uniquely to Plymouth, management of the sound and its natural assets has been brought together under the umbrella of the UK's first National Marine Park. This provides us with a vehicle for managing growth in freight without damaging the marine environment.

Q26. 3.8 Please describe how your Freeport proposal will support the delivery of the UK's Net Zero ambitions (max 500 words).

Having declared a climate emergency, Plymouth City Council has committed to achieving net zero carbon emissions by 2030. We are therefore committed to this agenda well as contributing to the decarbonisation of the wider maritime sector and shipping. With local expertise to help (the current owner of Langage is UK leader in hydrogen fuel production/deployment) we will focus on:

- Reducing transport emissions at sea – we will put in place infrastructure to support electric and hydrogen propulsion systems (supported by low carbon generation funded through the Green Energy Fund). We have started conversations with the National Grid to support this.
- Reducing transport emissions on land – we aim to significantly increase the amount of freight brought into the SW by sea (modal shift), which will reduce emissions. This has relevance for the zero-carbon short sea shipping network proposed in the Clean Maritime Plan. Within the Freeport we will use a combination of electric and hydrogen powered vehicles to move cargo between the port and customs sites (funded through the Green Energy Fund). There is already an EV charge point at Oceansgate and by 2025, all support vehicles will be low carbon. Charging infrastructure will also be put in place to encourage wider port users (including RORO traffic) to use low carbon fuels. Emissions from commuter transport will be minimised through a Green Transport Plan, which will include public transport options (including park and ride) as well as walking and cycling, which build on existing infrastructure such as cycle ways.
- Ensuring sustainable construction – buildings on our sites will exceed basic building regulations and aim to be zero carbon. Our approach will require buildings to be built using sustainable materials, be well insulated and have renewables (such as solar or heat pumps) integrated.
- Reducing emissions from energy use in the Freeport – the Plymouth Freeport benefits from a number of existing low carbon energy sources including the Devonport Waste Incinerator, which supplies electricity to the Dockyard and South Yard as well as the Langage Energy Park which is adjacent to the proposed Langage tax/customs site. These existing sources will be supplemented by the integration of renewables into buildings within the Freeport.
- Advancing and commercialising low carbon innovation – as described in section 3.6, Plymouth has an emerging marine and maritime innovation cluster, with an unrivalled research ecosystem made up of academic, research and commercial partners. A key mission amongst all partners is to support maritime net zero and our partners have achieved considerable success including development of the UK's first fully electric passenger ferry (e-Voyager), launched in October 2020.

The Freeport opportunity will further catalyse investment in innovative technologies such as clean propulsion systems (one of the key areas of focus for UK SW Marine sector), autonomy and systems integration, which provide opportunities to reduce emissions from shipping around the world. More locally, development of off-shore wind turbines in the Western Channel may provide opportunities to test and trial on sea charging platforms.

Q27. 3.9 Please outline how your proposals will ensure compliance with all applicable environmental regulations and standards (max 250 words).

The Plymouth Freeport will establish an Environmental Management System (EMS) (e.g ISO14001) to provide a framework for managing compliance with environmental legislation, achieving continuous environmental improvement and developing environmental resilience. An Environmental Impact Assessment will be used to identify the environmental risks to be managed through the EMS.

Q27. 3.9 Please outline how your proposals will ensure compliance with all applicable environmental regulations and standards (max 250 words).

Key proposals include:

- Air quality - the development of an Air Quality Plan to reduce emissions from diesel engines. Measures may include:
  - o Introduction of an Air Quality Management Area within Plymouth Sound (linked to Smart Sound) in which vessels are required to switch to clean propulsion systems when they enter
  - o Adoption of low carbon freight in the landside operation (see Q3.8)
- Water quality/treatment of chemicals – identification of any activities which may result in non-permitted discharges (e.g. use of anti-fouling chemicals on ships) and development of mitigation approaches through our EMS
- Waste - ensuring through our EMS that all waste management regulations are complied with by tenants and site operators and the approach to waste management follows the Waste Management Plan for England
- Protected species/Environment Plan – Plymouth’s marine environment benefits from many designations and protected species. We will work with partners in the National Marine Park to create net biodiversity gains by protecting and enhancing sea grass bed habitats which:
  - o support protected species
  - o act as a carbon sink
  - o improve resilience to climate change
- Sanitary and phytosanitary standards (SPS) – the Plymouth Freeport and operators will work with the APHA to ensure operations comply with SPS standards.

Q28. 3.10 Please outline the expected impact of your proposal on people with protected characteristics, using statistics where possible (max 250 words).

A high level Equalities Impact Assessment has explored the potential impact for people with protected characteristics as well as other disadvantaged groups (e.g. from deprived areas).

Labour market data shows some groups (women, people with disabilities, and older workers) are already disadvantaged in the labour market in Plymouth, with lower rates of employment, fewer people in higher paid occupations and lower pay. Our proposals aim to increase well paid employment opportunities which will be open to all. However, the sectoral focus, may risk widening existing inequalities. The proportion of men working in the manufacturing sector in Plymouth is currently higher than the proportion of women (19.1%, compared to 6.9%). Similarly, the number of non-white people working in the sector is not available, as the sample size is too small.

In order to mitigate this risk, our proposals include:

- Development of a full equalities impact assessment at business planning stage
- Development of an employment and skills plan, which will be strongly aligned to ensuring people from protected and disadvantaged groups are able to access all opportunities within the Freeport. Key areas for this to focus include:
  - o Ensuring women are able to benefit from all opportunities, including STEM
  - o A targeted skills/jobs brokerage programme to link people from deprived communities with opportunities
  - o Development of apprenticeship and internship opportunities through the Marine Academy and during construction phases
- Use of gateway criteria to encourage businesses operating at the Freeport to sign-up to initiatives such as Disability Confident and our Modern Slavery Charter

Q29. 3.11 Describe the governance arrangements for the delivery of the Freeport proposal (max 750 words).

Our governance arrangements will evolve across three phases as we progress from our bid, through the development phase and finally into delivery. As described more fully in annex 2, a bidding coalition has already been formed which currently operates as an informal steering group. Upon notification of a successful bid we will form a shadow Freeport Board to guide delivery during the development phase and welcome the availability of short term funding to help us set up a more formal governance structure.

Q29. 3.11 Describe the governance arrangements for the delivery of the Freeport proposal (max 750 words).

Our ultimate aim is to establish a Plymouth and South Devon Freeport Consortium as a Contractual Joint Venture (CJV). We have used this model successfully before to deliver public/private initiatives. It means that we do not have to set up a new company, as the Collaboration Agreement will form the contract which governs the relationship between the consortium members. We are open to the possibility of creating a special purpose vehicle however our current analysis demonstrates that a CJV meets the consortium's needs with the added benefits of flexibility, cost-effectiveness and oversight.

To ensure effective accountability we will establish a joint accountable body made up of the Local Authority signatories to the bid. This body will be accountable to MHCLG for the expenditure and management of public money including the Freeport seed capital and for making decisions about the investment of retained business rates. We are actively considering repurposing our Urban Fringe Development Partnership to create a vehicle with delegated finance and planning functions across the freezone that can drive delivery. We will also establish a wider stakeholder group of interested parties and invite local MPs to attend.

We have considered our structure, personnel and functions and are confident that our proposal will meet the expected governance standards. In the short term our shadow Freeport Board will be chaired by Plymouth City Council's Strategic Director for Place. Meeting on a quarterly basis, we envisage that the terms of reference for the Shadow Board will provide for delegated decision on financial matters up to a threshold aligned with the existing Plymouth City Council Scheme of delegation. Membership of the Shadow Board will be limited to 6 - 8 voting members supported by co-opt technical specialists for time limited periods as required (without voting rights), drawn from:

- The Port of Plymouth – maximising the potential of our Port assets
- The Local Authorities with business rates and planning functions
- The Heart of the South West LEP.
- Senior members of staff from the larger private sector firms (ensuring investor contributions are included)
- Land owners – to guide the practical implementation of the tax/customs sites
- The University of Plymouth – as the innovation lead.

This Shadow Board will ultimately form the basis of the Plymouth and South Devon Freezone Consortium. The Chair would be reserved for either Plymouth City Council or South Hams District Council, on a five year renewable basis with Plymouth City Council nominating the chair for the first 5 years. There would be a general expectation of agreement by unanimous vote and a unanimous decision would be required for any structural changes to the CJV. In the event that unanimity cannot be achieved a simple majority vote of a quorate meeting (which must include both councils) would be allowed for decisions within the board threshold for action, allowing day to day business to be concluded swiftly, with a casting vote for the chair in the event of a deadlock.

In both the shadow and delivery phases board members will be required to act in accordance with the standards set out in the National Local Growth Assurance Framework. Additionally public sector members will be bound by the Nolan Principles for life and private sector representatives by the UK corporate governance code. Decision making will be as transparent as is compatible with the need to engage with private sector companies and maintain commercial confidentiality. We will seek to achieve diversity amongst the membership of our board and stakeholder group with an expectation that one third of members will be women.

We will recruit a dedicated delivery team with a CEO that reports directly into the Board (see Q 3.12). In general terms our Freeport Board will set the strategic direction for, and monitor progress against, the Freeport's core functions (including those specified within the prospectus). Day-to-day delivery of most functions will be undertaken by the Freeport team as detailed in the Annex, with Board members supporting in areas relating to their broader roles and expertise.

Q30. 3.12 Please describe the management arrangements for the delivery of the Freeport proposal, this should include any key staffing appointments (max 250 words).

We are confident that we have the right the structure, personnel and functions to robustly manage delivery and move forward at pace. With oversight from the Board (Q3.11) we will recruit a team of skilled and motivated specialists, headed by an experienced CEO who will have day-to-day operational responsibility. Additional expertise will be contracted in as required to support the team. The CEO will

Q30. 3.12 Please describe the management arrangements for the delivery of the Freeport proposal, this should including any key staffing appointments (max 250 words).

line-manage staff in accordance with best practice, setting clear and realistic goals with a culture of continuous improvement to ensure successful delivery and manage risk, underpinned by effective recruitment, induction, staff development and appraisal processes.

Key posts are as follows:

CEO

- o Strategy and Implementation
- o Overall management accountability
- o Monitoring and maintaining integration with local economic strategies
- o Risk management
- o Preparing progress reports for submission to MHCLG
- o Complying with MHCLG's requirements on monitoring and evaluation

Finance Manager

- o Managing project finances and reporting to accountable bodies
- o Providing support to investors
- o Making use of public Freeport measures
- o Ensuring compliant procurement
- o Procuring and managing Design and Build contractors

Innovation Director

- o Providing an effective innovation function
- o Procuring and managing outsourced Research and Innovation delivery provider

Customs and Security Manager

- o Actively managing risks and conducting an annual audit of the security measures/any breaches
- o Managing outsourced Customs Operations contracts
- o Managing outsourced Security Operations contracts

Communications Manager

- o Global Marketing the Freeport
- o Procuring and managing the PR and Digital Agency contracts
- o Working with DIT to secure inward investment

Q31. 3.13 Please provide a risk assessment of the barriers to implementation of your proposal (max 250 words).

Our risk assessment framework and detailed risk register are at Annex 3. The highest scoring (orange/red) risks include:

- Failure to secure HMRC authorisation for customs – mitigated through specialist advice, recruitment of customs and security manager, and close working with HMRC
- Failure to secure adequate market interest in sites – mitigated through direct development by commercial partners, recruitment of communications manager and specialist Freeport strategic marketing agencies, DIT support
- Commercial partners withdraw – mitigated through 'back to back' legal arrangements to secure commitment of partners following grant
- Failure to secure match and complementary investments – mitigated through appropriate capital secured via loans and secure sources. Freeport to be given high profile and priority for grant considerations locally
- Delays in Government decision making lead to mobilisation delays – mitigated through accurate, timely sharing of information by PCC to minimise need for clarification. Delays used to prepare, without committing financially
- Delays in obtaining planning consents – mitigated through fit of activity with key planning documents and early engagement with planning process
- Unexpected/increasing delivery costs – mitigated through detailed surveys and cost estimates, contingencies and procurement of experienced contractors
- Failure to meet the development timetable leads to delays in opening site & income generation – mitigated through development of realistic timetables at Phase 2
- Insufficient local skills prevent business growth – mitigated through bespoke E&S plan and marine skills academy

Q31. 3.13 Please provide a risk assessment of the barriers to implementation of your proposal (max 250 words).

- Governance arrangements are ineffective, with slow/poor decision making – mitigated through phased approach to set up, Contractual Joint Venture tried and tested, strategic selection of board members and streamlined decision making

Q32. 3.14 Please describe your Monitoring and Evaluation plans (max 250 words).

We are committed to embedding monitoring and evaluation into this project from the outset. We will appoint external consultants to work alongside us, reporting directly into the Freeport Board. Their first task will be to draw up a Monitoring and Evaluation Plan. This will set out how and when data will be collected in relation to MHCLG and HMRC's core monitoring requirements whilst also ensuring that we capture wider impacts and learning. Key areas of focus will be on the reliefs and their realised outcomes; the effectiveness of the tax mechanisms; and the mitigation of displacement.

The evaluation approach will build on the project logic chain using either a theory-based or counterfactual approaches. We will capture data from businesses as part of our initial gateway checks to meet HMRC requirements and to ensure that they are not displacing activity. This will be monitored through regular data collection and the use of business surveys, alongside our Plymouth Freeport Index which will also enable us to capture up-take of the reliefs and their associated results.

Beyond this, evaluation methods are likely to include:

- Wider business surveys (capturing the effects for supply chains as well as local displacement etc);
- Stakeholder interviews (understanding wider impacts for the region and levelling up in particular); and,
- Interviews with delivery partners (supporting learning).

We will also assess the net impacts, after additionality adjustments have been accounted for.

We have allowed a budget of £30k for evaluation and the point of contact will be the SRO.

Q33. 3.15 Please upload an Implementation Plan covering milestones, timelines, critical interdependencies, and sequencing. This could take the form of a pictorial diagram, Gantt chart, timeline, flowchart or other graphical representation. Please name the file: [survey(userid)]\_Implementation\_Plan). The file must be 1 side legible at A3 and less than 50MB.

- File: 158400489\_Implementation\_Plan.pdf

## Criterion E: A high level of private sector involvement in the proposal

Q34. 4.1 Please describe the main investments you will make to deliver the Freeport, including requests for Freeports seed capital, council borrowing, private investment and any other strategically aligned public investment made by the LEP, council or national government (max 250 words).

Of the [REDACTED] capital items (see 3.3) our main investment is to contribute to major improvements to [REDACTED] linking the Sherford Business Park and Langage Energy Park to the A38 (Devon Expressway). These improvements to the [REDACTED] will unlock potential at Langage providing an for strategic employment uses and large footprint employment developments, the Westbound Slip Road to the A38 from the Sherford Business Park would strategically link the two sites.

Our seed capital ask for [REDACTED] in our minimum feasible model which would exclude the Sherford site). We will generate a match to this through council borrowing, s106 contributions secured against

Q34. 4.1 Please describe the main investments you will make to deliver the Freeport, including requests for Freeports seed capital, council borrowing, private investment and any other strategically aligned public investment made by the LEP, council or national government (max 250 words).

units bought forward on the sites and from other grants and external contributions. The borrowing will be funded by the income generated by the Freeport and from retained business rates. By phasing the works starting with the [REDACTED] we would ensure that the uplift in business activity on the sites did not overload the transport network whilst we sought to raise the balance of the [REDACTED] needed to complete the full planned improvements to [REDACTED]. We will seek to raise this funding through a combination of Levelling up funding, the Highways England Roads Investment Strategy (RIS3) from 2025, the three local authorities and Developer Contributions. Not only would this unlock the sites delivering over 220,000 sqm of employment floor space but it would accelerate delivery of 5,500 new homes in the Sherford New Community.

Q35. 4.2 Please detail any complimentary investments that have been secured over the past 5 years or are currently under consideration from external funders, that support the delivery of your proposal (max 1000 words).

This Freeport proposal builds on a number of existing plans and investments in relation to the proposed tax and customs sites; particularly at South Yard, linked to our marine/defence innovation aspirations as well as the Port of Plymouth itself. We are also actively seeking further funding for a range of activities complementary to this proposal which would maximise the offer and support the UK's net zero ambitions.

South Yard and Innovation - as part of a major regeneration project bringing former MoD land back into use, Devonport South Yard is in the process of being transformed through the £141 million Oceansgate Enterprise Zone development, providing a unique collection of docks, jetties, slipways, and other facilities with deep water access for marine businesses. The Oceansgate EZ was approved at Autumn Statement/SR 2015 and comprises one site covering 35 hectares which includes Oceansgate, Princess Yachts, Babcock and parts of MoD residual site. A comprehensive masterplan was approved by the Local Planning Authority for the development of up to 25,000m<sup>2</sup> of light industrial and office space for marine industries but the rest of the land is under-utilised. Approximately £30m has already been secured from MHCLG, MoD, the Heart of the South West LEP, the EU and the Council for Phases 1 and 2. The first phase of development, comprising some 2,500m<sup>2</sup> of offices and light industrial workspace for marine businesses, was completed in April 2018. The second phase, comprising approximately 2,800m<sup>2</sup> (GIA) of office and light industrial business space is currently under construction, and is due to be completed in February 2021. Both phases are 96% let – showing great momentum.

A Marine Business Technology Centre (MBTC) was developed on the site during Phase 1, part-funded through £2.5m ERDF and has facilitated significant innovation investment including for Smart Sound Connect. This £1.8 million investment has enabled the installation a private 5G and military grade MESH network over the Plymouth Sound and coastal waters. Associated investments from NERC and others include £600k for moored platforms with autonomous profiling sensors, £500k for AutoNaut (high speed connectivity); £400k for the Cetus robotic operating system; and £200k for autonomous subs. The University of Plymouth, Plymouth City College and private sector partner Babcock have also secured MarRI-UK funding for related projects around marine autonomy and maritime cyber risk.

Funding is currently being sought to extend MBTC and also to deliver the sizeable and most impactful [REDACTED] which has been designed as a set of sequenced development projects. This will include an innovation centre and a skills/technology area as well as a prototype area for testing the surface and sub-surface vessels and devices of the future. [REDACTED] is, however, problematic due to the level of upfront investment and on-going operational costs required to separate the site from [REDACTED] and retain historical buildings and docks. It is anticipated that [REDACTED] will partially be funded through borrowing against rents and retained NNDR revenues but plans are being reviewed with the LEP and central government departments to co-design the best way forward which could also include grants from central government or Historic England. We would be particularly keen to explore opportunities arising from recent announcements such as the up-coming Levelling-Up Fund.

Other tax and customs sites - elsewhere within our proposal, considerable investment has already been made to develop the Lantage Energy Park which is owned by Carlton Power. Previous investments total [REDACTED] and include transport (including public transport contributions) and infrastructure items. Looking forward, further investment of [REDACTED] (public and private) will complete the investment required to develop this site.

Q35. 4.2 Please detail any complimentary investments that have been secured over the past 5 years or are currently under consideration from external funders, that support the delivery of your proposal (max 1000 words).

The Sherford New Employment Area has been brought forward as part a [REDACTED] new town development on the outskirts of Plymouth. The site owners have already invested [REDACTED] on the employment site, including: infrastructure, facilities off site, highways improvements and a Park and Ride site. Looking forward, further investment of [REDACTED] (public and private) will complete the investment required to develop this site.

Both the Langage and Sherford sites are served by the Deep Lane Junction from the A38. To date, [REDACTED] has been invested [REDACTED] from Growth Deal), which improves the northern part of this junction. Section 106 contributions as well as Freeport Seed Capital Funding will support the southern improvements.

Port of Plymouth - investment has also taken place/is in train within the Port. Cattewater has made investments in the last five years through the purchase of additional land and a wharf whilst ABP, the Port Operator for Millbay is embarking on a long-term update of the Port facilities in conjunction with Britany Ferries to future proof the Port and city connectivity. To date, investment totals [REDACTED], including [REDACTED] through Government funding in relation to border controls and Brexit readiness. A further [REDACTED] of investment is planned for the future.

Net Zero - in order to reduce emissions both on sea and land we also plan to put in place infrastructure to support electric and hydrogen propulsion systems supported by low carbon generation and have started conversations with the National Grid to support this. We plan to use a combination of electric and hydrogen powered vehicles to move cargo between the port and key customs sites. It is hoped that both of these objectives can be supported through the Green Energy Fund.

Wider investment in the City - Plymouth City Council has a capital programme of about £120m per year and in the last five years over £450m has been invested in the City. The development of the City has added new highways and infrastructure to aid the growth of the city including building houses and commercial properties. Key investments include the Forder Valley Link Road and Exchange (£48.5m), Transforming Cities Fund (£51.2m), Re-development of Plymouth Train Station (£26.2m), Highway maintenance and essential engineering (£19m), The Box Museum Experience (£46m) and Future High Streets Fund (£12m).

Although our Freeport is viable and can be delivered without the additional sources of funding identified here, such complementary investments would maximise the opportunity.

Q36. 4.3 Describe the primary types (including size and sector) of business (max 500 words total): That are part of your bid That you will aim to attract

At this stage, there are two companies who are formal commercial partners and prepared to co-invest in the Freeport:

1. Babcock International – Babcock works in partnership with the MoD at Devonport, providing through life support for submarines, surface ships and associated systems and equipment. Babcock's facilities at Devonport include the UK's sole licensed site for the refitting and refuel/defuel of nuclear-powered submarines, as well as docks to maintain, refit and modernise surface warships. Babcock currently employs 5,550 people in Plymouth and has strong links with supply chain companies. The Freeport represents a significant opportunity for them to expand operations in new economic areas through innovation and by developing an [REDACTED].

Babcock, in partnership with MSubs, is currently investing in the research and development of a new line of unmanned autonomous underwater vehicles, purpose design payloads and delivery systems – the Freeport would enhance their ability to compete global in an autonomy market currently valued at £800m pa expected to grow to £25bn pa by 2030.

2. Princess Yachts – established in 1965, Princess Yachts employs 3,000 staff to build most technically advanced yachts. As a business which operates in a global market, the Freeport could radically change their thinking on growth options. [REDACTED]

Q36. 4.3 Describe the primary types (including size and sector) of business (max 500 words total): That are part of your bid That you will aim to attract

These primes, together with the wider investment in marine will act as commercial anchors, attracting further FDI in the Freeport. Through our marketing activity, we will work with key primes to target marine supply chain businesses that could be attracted from outside the UK (including through Joint Ventures). The Freeport customs and tax levers would therefore benefit both the primes and their supply chains (e.g. Longer term, the development of marine renewables off Devon and Cornwall provides an opportunity to target the onshore manufacturing and support operations.

We would also aim to target businesses in the wider manufacturing sector, particularly high value exporters such as Barden Bearings. Plymouth has a strong manufacturing and engineering sector and we would use the Freeport to grow this sector, creating higher value jobs as a result (1/3 of jobs at Barden Bearings are graduate engineers).

To complement our emphasis on manufacturing, we would also anticipate attracting warehousing and distribution companies.

In addition, we also believe that our Freeport could offer benefits to the mining sector, which is undergoing a resurgence in SW as demand for Lithium and Tungsten increase. We anticipate large machinery/project cargo, which can be stored/utilised in a tariff efficient way through the customs levers.

Over the longer term we will also consider other (new) FDI sectors that might benefit from the Plymouth Freeport and will conduct an opportunities appraisal to identify these.

Q37. 4.4 Please choose from the following Sector list (SIC Section and Division Codes) those business who are part of your bid and that you aim to attract (max 10 each). You can use this tool to find the relevant SIC codes for a given sector.

	Businesses part of your bid	Businesses you aim to attract
1	-	B07
2	C25	C25
3	C27	C26
4	C28	C28
5	-	C30
6	C32	C32
7	C33	C33
8	H50	H52
9	M71	C27
10	M72	M72

Q38. 4.5 Please outline what specific trade and investment support measures you feel would benefit a Freeport in your area (max 250 words).

Plymouth is already part of the Great South West's High Potential Opportunity (HPO) investment project in Marine Autonomy which will play directly into our Freeport proposal. We would welcome further support from the DIT to exploit the niche sectors identified within this HPO. Further, building on this collateral we would like to explore the possibility of securing an aligned, Freeport specific HPO, which would also incorporate our defence offer. There are currently a myriad of untapped innovation opportunities in the defence sector which spends 3.5% of its budget on R&D and, with DIT support, the Freeport is well

Q38. 4.5 Please outline what specific trade and investment support measures you feel would benefit a Freeport in your area (max 250 words).

positioned to capitalise on these.

More broadly, DIT services can support us further through:

- Providing a dedicated account manager in relation to the above. This would ideally be someone at a senior level that is well connected and can draw in other stakeholders as required
- Co-creating a clear action plan and engaging with us to deliver the identified actions through regular cross departmental meetings
- Supporting us with 'rifle shot' (as opposed to generic) marketing campaigns to help us target global companies that would benefit from Plymouth's Freeport including in new non-EU markets
- Assisting us with a specific offer to identify supply chain gaps and leverage our key primes such as Babcock and Princess Yachts
- Providing further input to help us capitalise on the exporting opportunities associated with the Freeport

## Final Confirmation

Q39. Please confirm each of the following:

To the best of my knowledge, all information submitted here is accurate

I understand that the UK Government reserves the right to de-designate any successful Freeport bid if a bidder is found to have knowingly included inaccurate information or if they prove unable to meet the delivery timeframes set out in their bid

Q40. Question 1.6 asks bidders to state in their letter whether the site operator has any HMG custom authorisations. To help the central assessment of bids by HMG, HMRC and Border Force will confirm to HMT and Border Force Officials assessing the Freeport bids whether the site operator holds any existing HMG Customs Authorisations. This information will be held by officials until the bidding process is concluded. If the site operator does not wish to consent to this process, they may; withholding consent does not prevent bidders from passing the initial pass/fail stage or making it to the appointable list. Consent can be withdrawn at any time during the bidding process by contacting Freeports-MHCLG@communities.gov.uk. This will not prevent you from passing pass/fail or making the appointable list. If consent is withdrawn, any details shared by HMRC will be deleted by HMT and Border Force. Please indicate below whether the site operator, if they hold any of the below authorisations, consent to HMRC confirming them. If the site operator is not part of your consortium but are content for their authorisation status to be shared by HMRC with HMT and Border Force, the operator will need to supply their express permission in the bid documentation or by contacting Freeports-MHCLG@communities.gov.uk.

	Yes (consent)	No (do not consent)
<b>Customs Warehousing Authorisation status</b>		X
<b>CFSP Authorisation status</b>		X
<b>AEO(S) and AEO(C) Authorisation status</b>		X
<b>Transit Authorisation status</b>		X
<b>(To be checked by Border Force) Temporary Storage Authorisation status</b>		X

Q41. You will not be able to edit your bid once you have submitted it. Please ensure you have answered every question in this form and uploaded the following files: Pdf maps of the outer boundary, tax sites, and customs sites (at least one of each) A supporting letter from your LA, LEP, and (if applicable) MCA Supporting letters from the owners of each customs site A logic model An implementation plan Please also ensure you have submitted shapefile versions of you maps to [Freeports-MHCLG@communities.gov.uk](mailto:Freeports-MHCLG@communities.gov.uk).

I confirm I have answered all questions and submitted all necessary files.

Q42. We welcome any feedback you may have on the bidding process.

It was very clear and this online submission works well. Thank you.



# PLYMOUTH FREEPORT MANAGEMENT AND CAPABILITY SUPPORTING DOCUMENTS

**Richard May**  
Senior  
Responsible  
Officer

## Introduction

This document sets out the arrangements that the Plymouth Freeport team will put in place to ensure successful delivery of the project at pace, following identified best practice and effectively managing risk. It consists of a series of annexes which include the elements required to support the main submission set out as follows:

**Annex 1** – Our Commitment to the Freeport, including track record

**Annex 2** - Proposed Management & Governance Arrangements, including SRO details

**Annex 3** - Risk Management Framework, including risk register

**Annex 4** – Background to the sites and detailed implementation narrative, forming our capability submission

**Annex 5** - Costs and Income Projections

**Annex 6** – Details of our Future Oceans Institute, underpinning our innovation objectives

**Annex 7** – Letters of Support

**Annex 8** – Smart Sound Information and Map

## Annex 1: Our Commitment to the Freeport

Our vision is to unleash the potential of our port city and its proud maritime history. Plymouth and the surrounding area has enormous potential with global competitive advantages, particularly in marine and defence innovation but has historically suffered from comparatively low levels of productivity and higher than average unemployment. This proposal builds on the area's unique assets and previous investments and will use all the available Freeport levers to level up, attract investment and create jobs.

In a short space of time we have achieved a high level of excitement and commitment to the Plymouth Freeport concept amongst our public and private sector partners. Our proposal has the full backing of the Port of Plymouth and the relevant local authorities as evidenced by the letters of support appended to our submission (see Annex 7). The spatial priorities, strategic objectives and policies set out in the Plymouth and South West Devon Joint Local Plan (2014-2034) (JLP) covering the Plymouth Policy Area and urban fringe, support the land utilisation set out in our Freeport bid and will facilitate swift planning decisions and rapid development of the sites.

Commercial demand for the proposition is also strong. Two anchor companies, Babcock and Princess Yachts, are committed to co-investing in the Freeport, having identified opportunities to pursue new economic activities and attract supply chain companies through the proposals. Further, there is considerable private sector interest from all over the world in the innovation opportunities that have been identified.

### Track Record

Plymouth City Council has an excellent track record in delivering major projects with a capital programme of approximately £120m per year. Over the past few years we have successfully delivered a range of new highways and infrastructure to aid the growth of the city. This Freeport proposal builds on a number of existing plans and investments.

Of particular note is our Oceansgate regeneration and enterprise zone at Devonport South yard which has exceeded all targets and expectations. This £141 million, 35 hectare development was initiated in December 2014 and is being delivered in three phases, creating over 20,000m<sup>2</sup> (gross) marine industries employment and innovation space and 1,200 new and high-value jobs. Phase 1 was completed in 2018 and has 96% of the space either let or under offer. Phase 2 is currently under construction and, despite the Covid-19 challenges will be completed on schedule by February 2021 with 93% having already been pre-let subject to contract.

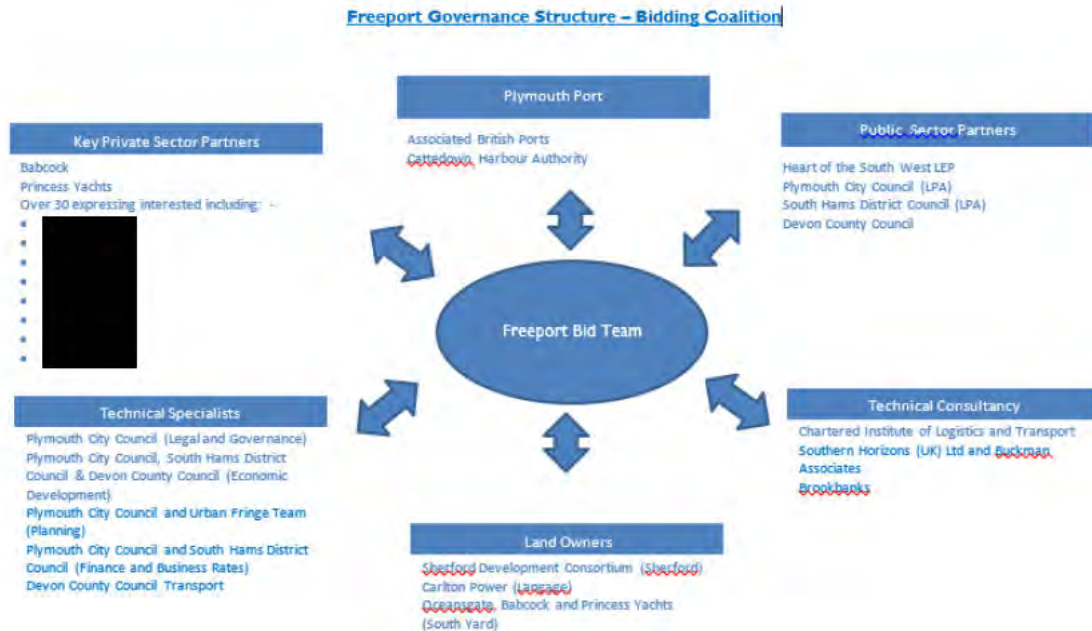
The Marine Business Technology Centre (MBTC) which opened at the Enterprise Zone in Phase 1 has already catalysed the marine and defence innovation activity underpinning our bid and provides firm foundations for us to build on. Two vibrant MBTC-led clusters under the banners of Smart Sound Plymouth and Future Autonomous at Sea Technologies (FAST) have attained significant momentum and interest nationally and internationally.

On a practical level our experience of successfully running the Enterprise Zone will also be extremely valuable for this proposal. In addition to attracting investors and supporting tenants on the site, we are experienced in compiling accurate quarterly monitoring data. Initially, information from businesses is collected through the application form for NNDR discount requiring information on job creation, apprenticeships and investment plans. Monitoring of businesses that locate on site and access the Business Rate Discount and the Enhanced Capital Allowance is undertaken annually.

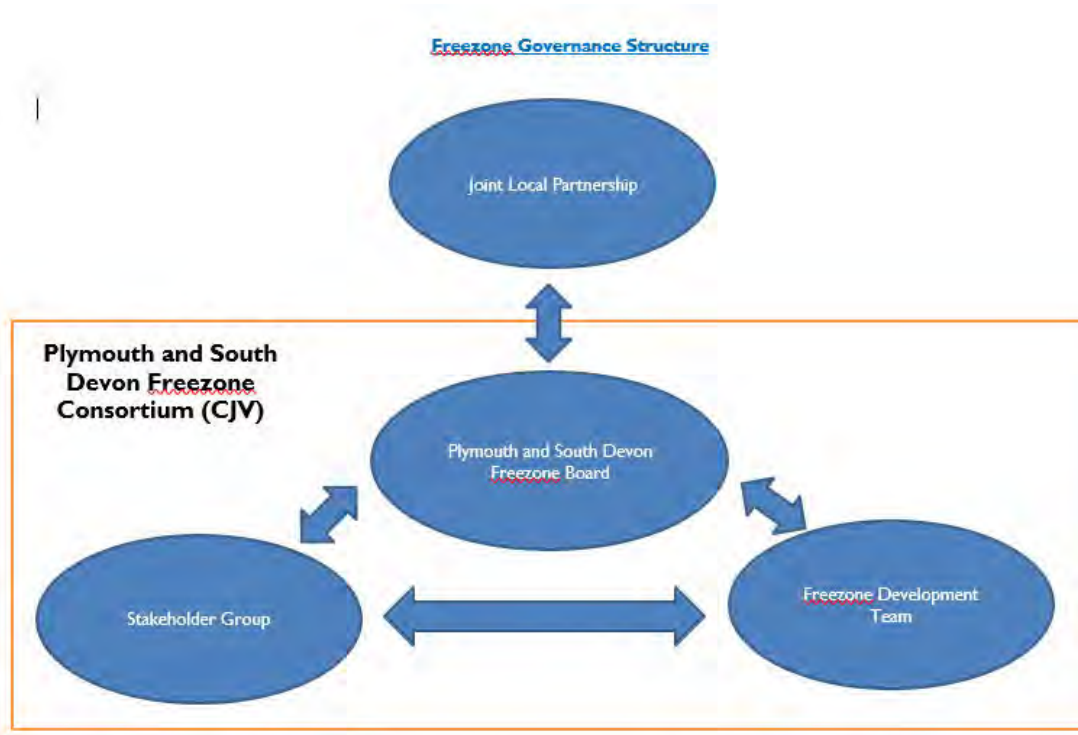
## Annex 2 - Proposed Management & Governance Arrangements

We welcome the opportunity to work with government to ensure the governance of the Freeport is robust and understand that this may involve adapting all or part of proposal to ensure consistency across projects. Based on our experience of delivering other major projects, our proposal sets out our governance arrangements to evolve across three phases as we progress from our bid, through the development phase and finally into delivery. This will enable us to maximise inputs, expertise and resources relevant to the phase in question with streamlined decision making to enable us to move at pace.

A bidding coalition has already been formed which currently operates as an informal steering group to shape this proposal. Upon receiving notification that our bid is successful we will form a shadow Freeport Board to guide delivery during the development phase and welcome the availability of short term funding to help us set up a more formal governance structure over time.



Our ultimate aim is to set up a Plymouth Freeport Consortium as a Contractual Joint Venture (CJV). We have used this model successfully before to deliver public/private initiatives. It means that we do not have to set up a new company, as the Collaboration Agreement will form the contract which governs the relationship between the consortium members. We are open to the possibility of creating a special purpose vehicle however our current analysis demonstrates that a CJV meets the consortium’s needs with the added benefits of flexibility, cost-effectiveness and oversight. Furthermore, we intend to build in stakeholder assurance into our CJV.



To ensure effective accountability we will establish a joint accountable body for the Freeport as part of this CJV arrangement. This will have delegated power from the accountable public sector bodies in which our customs and tax sites are located, with the ability to:

- Approve finance matters above the delegated threshold;
- Make decisions about the investment of retained business rates in consultation with their respective S.151 officers; and
- Resolve any cross boundary planning matters.

The joint accountable body will be accountable to MHCLG for the expenditure and management of public money including the Freeport seed capital.

We have considered our structure, personnel and functions and are confident that our proposal will meet the expected governance standards as follows:

### Structure

In the short term our shadow Freeport Board will be chaired by Plymouth City Council's Strategic Director for Development. Meeting on a quarterly basis, we envisage that the terms of reference for the Shadow Board will provide for delegated decision on financial matters up to a threshold aligned with the existing Plymouth City Council Scheme of delegation. Membership of the Shadow Board will be limited to between 6 and 8 members, all of whom will have voting rights, drawn from:

- The Port of Plymouth – maximising the potential of our Port assets
- The Local Authorities with business rates and planning functions
- The Heart of the South West LEP.
- Senior members of staff from the larger private sector firms (ensuring investor contributions are included)
- Land owners – to guide the practical implementation of the tax/customs sites
- The University of Plymouth – as the innovation lead.

This tight structure will include senior level people from all the relevant components of the Freeport, supporting effective decision-making and the ability to move at pace.

During this period we will retain the capacity to co-opt technical specialists for time limited periods as required – e.g. for security/customs input (without voting rights) and we will also establish a wider stakeholder group of interested parties which we anticipate will be chaired on a rotating basis by the two Local MPs whose constituencies span the area in which the Freeport sites, the Ports, tax and customs sites are located.

This Shadow Board will ultimately form the basis of the Plymouth Freeport Consortium. In establishing the CJV we will make the necessary legal arrangements and anticipate the articles will need to include the following heads of terms:

- Resources and assets
- Extent of decision making powers
- Assurance requirements and who is responsible for them
- Governance
- Contribution from each partner – principle of equal risk and reward
- Delegated powers to allocate funds assigned to the board

The Chair would be reserved for either Plymouth City Council or South Hams District Council, on a five year renewable basis with Plymouth City Council nominating the chair for the first 5 years. There would be a general expectation of agreement by unanimous vote and a unanimous decision would be required for any structural changes to the CJV. In the event that unanimity cannot be achieved a simple majority vote of a quorate meeting (which must include both councils) would be allowed for decisions within the board threshold for action, allowing day to day business to be concluded swiftly, with a casting vote for the chair in the event of a deadlock.

The Board will have freedom to make any decision they deem necessary in relation to the Freeport within the parameters of the CJV. It will also continue to benefit from the strategic input of the stakeholder group, whose membership will be reviewed at this point, as well as the Freeport delivery team which will have been recruited over that period.

In both the shadow and delivery phases board members including co-opted members will be formally required agree to act in accordance with the standards set out in the National Local Growth Assurance Framework, additionally public sector members will be bound by the Nolan Principles for life and private sector representatives by the UK corporate governance code. Decision making will be as transparent as is compatible with the need to engage with private sector companies and maintain commercial confidentiality. We will seek to achieve diversity amongst the membership of our board and stakeholder group with an expectation that one third of members will be women.

## Personnel

We are confident that we have the right the structure, personnel and functions to robustly manage delivery and move forward at pace. With oversight from the Board, we will recruit a team of skilled and motivated specialists, headed by an experienced CEO who will have day-to-day operational responsibility. Additional expertise will be contracted in as required to support the team. The CEO will line-manage staff in accordance with best practice, setting clear and realistic goals with a culture of continuous improvement to ensure successful delivery and manage risk, underpinned by effective recruitment, induction, staff development and appraisal processes. Our proposed staffing structure is as follows:

- **CEO**
  - Strategy and Implementation
  - Overall management accountability
  - Monitoring and maintaining integration with local economic strategies
  - Risk management
  - Preparing progress reports for submission to MHCLG
  - Complying with MHCLG's requirements on monitoring and evaluation
  
- **Finance Manager**
  - Managing project finances and reporting to accountable bodies
  - Providing support to investors
  - Making use of public Freeport measures
  - Ensuring compliant procurement
  - Procuring and managing Design and Build contractors
  
- **Innovation Director**
  - Providing an effective innovation function
  - Procuring and managing outsourced Research and Innovation delivery provider
  
- **Customs and Security Manager**
  - Actively managing risks and conducting an annual audit of the security measures/any breaches
  - Managing outsourced Customs Operations contracts
  - Managing outsourced Security Operations contracts
  
- **Communications Manager**
  - Marketing the Freeport
  - Procuring and managing the PR and Digital Agency contracts
  - Working with DIT to secure inward investment

The delivery team will also provide the secretariat function for the Board.

## Functions

Our Freeport Board will set the strategic direction for, and monitor progress against, the following core functions:

- **Global marketing of the Freeport** – there will be a clear brand, including logo and strapline along with a brochure and website. We will also develop a marketing and communications plan which will include regular monthly newsletters, business open days, advertising, editorials, and attendance at trade shows in the UK and abroad. Although primarily the responsibility of the Freeport delivery team, the Board will have oversight of this function;
- **Provide support to investors** – likewise, the Board will oversee the delivery team's investor support, drawing on Plymouth City Council's FDI account management function and the wider experience of our HPO. It will ensure specialist support to prospective investors where required, as well as aftercare services to ensure that opportunities can be maximised;
- **Make use of public Freeport measures** – it will be the role of the public accountable bodies on the Board to ensure that public measures are considered and maximised throughout delivery, including bidding into complementary funds;

- **Provide an effective innovation function** – as the Board’s innovation lead, our representative from the University of Plymouth will play a key role in overseeing the development of our research and innovation programme, leveraging our broader innovation ecosystem. We will procure specialist input to support innovate businesses and will facilitate innovation related submissions for funding from Freeport firms (challenge and place based funding). See more on linkages with the FREN below;
- **Monitor and maintain integration with local economic strategies** – our LEP board member will play a vital role in ensuring a two-way flow of information between the Freeport Board and wider economic strategies including developments within the ‘Great South West’ to ensure continued alignment and maximisation of opportunities;
- **Formally report to MHCLG** – the Freeport delivery team will be expected to produce regular monitoring reports for the Board who will scrutinise this activity. This will be a standard agenda item for the Board. Plymouth City Council will be responsible for formally reporting to MHCLG ;
- **Comply with MHCLG’s requirements on monitoring and evaluation** – likewise, it will be the responsibility of the Freeport delivery team to collect quarterly monitoring information from businesses with a full audit of outputs to be completed on an annual basis. This activity will be overseen by the Board who will also be responsible for the procurement of an independent external evaluator; and
- **Actively manage risks and conduct an annual audit of the security measures and any breaches** – risk will be a standing agenda item for the Board and it will be actively managed (see full risk framework and register below). We will contract with suitably qualified security specialists to support with this endeavour.

More broadly the role of the Freeport Consortium will be to ensure effective feedback loops and support continuous improvement. By including the land-owners and investors we will facilitate a two-way flow of information between the Freeport Consortium and site occupants to ensure that any emerging issues are dealt with quickly and transparently.

### Implementing our Innovation Objectives

Marine and defence innovation are at the heart of our Freeport proposal, hence more detailed consideration has been given to driving forward those objectives. We very much welcome the opportunity to work with the Freeport Regulation Engagement Network and see this as a great benefit to Plymouth especially for Smart Sound autonomy trialling. Several FAST cluster members sit on the Maritime Autonomous Systems Regulatory Working Group (MASRWG). The primary aim of this group is to develop a Code of Practice that will establish practical guidance, standards, and best practice for those who design, build, manufacture (including testing and commissioning), own, operate and control autonomous and semiautonomous maritime autonomous surface ships (MASS) primarily less than 24m. We hope that FREN will super charge this world leading discussion.

We are also interested in exploring specific and precisely bounded exemption from elements of the following, on a case by case basis:

- The International Convention for Safety of Life at Sea (IV and V)(and associated Performance Standards and Carriage Requirements);
- The International Rules for Preventing Collision at Sea;
- The International Code of Signals;
- The International Convention for Safety of Life at Sea (IV and V)(and associated Performance Standards and Carriage Requirements) to allow the examination of technical

solutions which provide an equivalent level of performance and safety using alternative means;

- The International Rules for Preventing Collision at Sea, Rule 5, to allow technical solutions which provide an equivalent level of performance using alternative means to be evaluated within a safe framework using both organic sensors and the Smart Sound's data infrastructure; and
- The International Code of Signals, to examine ways in which a nautical manoeuvre may be made notorious to other mariners using alternative technology to achieve equivalence.

It is hoped that engagement with the FREN will help us to unlock some of these barriers in order to truly grasp this opportunity.

### Senior Responsible Officer

The SRO and designated FREN co-ordinator for the Freeport is Richard May. His contact details are:

Head of Oceansgate and Marine Investment  
Economic Development  
Plymouth City Council  
Endeavour House,

2 Vivid Approach  
Plymouth  
PL1 4RW

T +441752307569

M [REDACTED]

E richard.may@plymouth.gov.uk

## Annex 3 - Risk Management Framework

As Plymouth City Council will be accountable for the public funding invested in the Freeport and responsible for its implementation, Risk Management processes will be fully aligned with and integrated into Plymouth City Council's Risk and Opportunity Management Strategy 2018-2020. Key elements (although not all the detail) are summarised below.

### PCC's Risk and Opportunity Management Strategy 2018-20

#### Our Risk Management Policy Statement

Plymouth City Council is aware that, as a large organisation, it is exposed to a very wide range of risks and threats to the delivery of key services to the community it serves.

The Council recognises that it has a responsibility to identify, evaluate and manage risk whilst still creating a fertile climate for innovation. It therefore supports a structured approach to risk and opportunity management through its corporate Risk and Opportunity Management Strategy, the aims and objectives of which are described below:

The aims of the Risk and Opportunity Management Strategy are to:

- Integrate and raise awareness of risk and opportunity management for all those connected with the delivery of Council services
- Embed risk and opportunity management as an integral part of strategic, service, information use, financial and project planning and policy making
- Establish a standard systematic approach to risk identification, analysis, control and monitoring and reviewing
- Provide a process for identifying threats or drawbacks that also includes finding and considering opportunities
- Provide a robust and transparent framework for managing risk and supporting decision making
- Support well thought-through risk taking
- Anticipate and respond to changing external and internal environment
- Embed risk and opportunity management as an integral part of delivering and aligning successful partnerships

The objectives of the Risk and Opportunity Management Strategy are:

- To embed Risk and Opportunity Management as part of the Council's culture of governance
- To provide a robust and systematic framework for identifying, managing and responding to risk
- To provide a robust and transparent track record of managing, communicating and responding to risk
- To encourage staff to think creatively about ways to work better, simpler and more effectively

#### Our Processes for Embedding Risk and Opportunity Management at Corporate Level

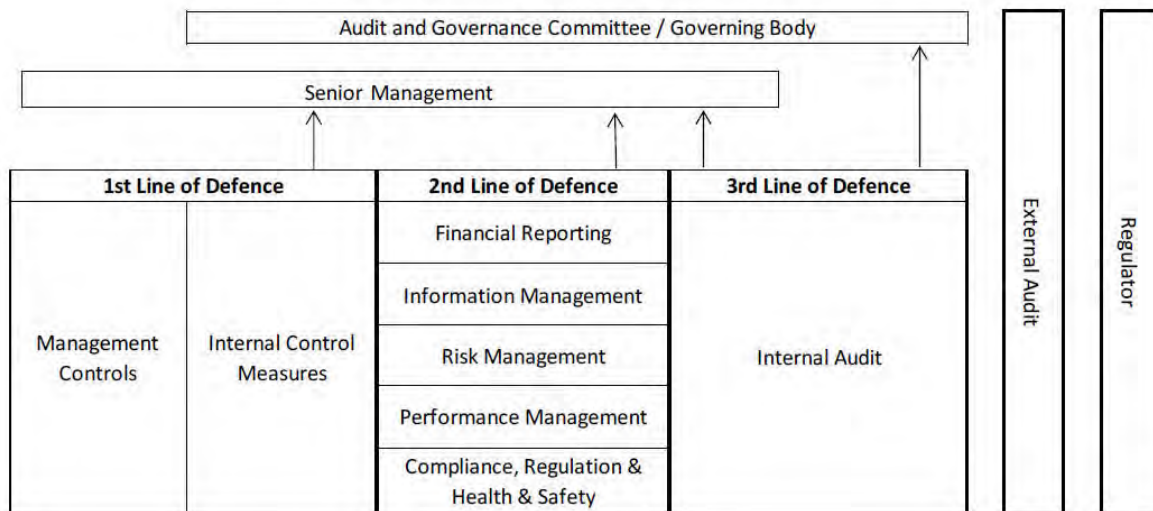
The Risk and Opportunity Management Strategy is reviewed annually to ensure it remains up to date. The Cabinet Member for Finance and the Assistant Chief Executive jointly champion the process.

Each Directorate has an officer appointed as Risk Champion who is trained to advise staff on best practice to ensure that the risk and opportunity management process is embedded in the Council’s business processes, including:

- Strategic and business planning
- Information quality and use
- Financial planning
- Policy making and review
- Project management

The Chief Executive Office, through the Oversight and Governance Manager and Corporate Risk Advisor, will promote and monitor good practice, provide guidance, support, advice and information and organise training. There is also a Risk Management eLearning module available on the Staffroom Page of the intranet within the Learning Zone.

Integrated Assurance has resulted in risk management being formally aligned and working alongside other compliance functions to promote a joined-up approach to all aspects of corporate governance. The Three Lines of Defence Model is used as the primary means to demonstrate and structure roles, responsibilities and accountabilities for decision making, risk and control to achieve effective governance and integrated assurance. The diagram below shows the relationship between these functions:-



The Council maintains two different types of Risk and Opportunity Register - Strategic and Operational. The Strategic Register records risks that affect the aims and objectives of the corporate body – risks that could have an effect on the successful achievement of our long term core priorities and outcomes, e.g.

- Risks that could potentially have a council-wide impact and/or
- Risks that cannot be managed solely at a business unit level because higher level support/intervention is needed.

The Operational Register records those risks affecting the day to day departmental operations, e.g.

- Potential process failures
- Failure to adhere to internal policies

- Potential for internal and external fraud
- Poor quality management

Both registers detail the following:-

- Possible consequences of the risks identified, both negative (risks and threats) and positive (opportunities)
- Potential impact and likelihood of the risk identified
- Existing controls in place to mitigate the risks
- Actions planned to mitigate the risks with relevant timescales and the responsible officers

The Strategic Register is owned by the Corporate Management Team in its capacity of the Corporate Risk Management Group and maintained by the Corporate Risk Advisor and Operational Registers are maintained by the relevant Department’s Risk Champion.

How do we Identify and Prioritise Risks and Opportunities?

Risk and opportunities are identified using a number of tools and a checklist is used as a guide. This covers:

- Compliance, Regulation and Safeguarding
- Operational/Service Delivery
- Financial
- Reputation
- Strategic Change
- Development and Regeneration
- People and Culture

Risks and opportunities are then recorded in a structured format, covering, cause, event and effect in order to scope a risk or opportunity. Once risks have been identified they need to be assessed systematically and accurately. This involves systematically identifying the probability of an event occurring (likelihood) and the potential outcome of the consequence should such an event occur. The PCC framework provides the scores and indicative definitions to be used. The risks rating for each part of the assessment are then combined to give an overall ranking for each risk. The ratings can then be plotted onto the risk matrix, which assists in determining the risk priority and the amount of attention it deserves.

Likelihood / Probability	Almost Certain	5	10	15	20	25
	Likely	4	8	12	16	20
	Possible	3	6	9	12	15
	Unlikely	2	4	6	8	10
	Rare	1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Catastrophic
Impact / Severity						

Risk Tolerance		
Red (High Risk)	20 - 25	Must be managed down urgently
Amber (Medium Risk)	12 - 16	Seek to influence medium term/monitor
Green (Low Risk)	6 - 10	Acceptable – continue to monitor if circumstances are subject to change, if not, remove from register
Yellow (No risk)	1 - 5	Remove from register

### Our Attitude to Risk

Risk appetite is the amount of risk, on a broad level that Plymouth City Council is willing to accept in pursuit of value. It is strategic and reflects the organisations risk management philosophy, and in turn influences the organisations culture and operating style. Risk appetite guides resource allocation and provides the infrastructure necessary to effectively respond to and monitor risks. Our aim is to consider all options to respond to risk appropriately and make informed decisions that are most likely to result in successful delivery of benefits whilst also providing an acceptable level of value for money.

The acceptance of risk is subject to ensuring that all potential benefits and risks are fully understood and that appropriate measures to mitigate risk are established before decisions are made. We recognise that the appetite for risk will vary according to the activity undertaken and hence different appetites and tolerances to risk apply. Specifically, our approach is to minimise exposure to compliance, regulation, safeguarding and reputation risk, whilst accepting and encouraging an increased degree of risk in other areas in pursuit of our strategic and business objectives as illustrated in the diagram and statements below.

		Lower Risk			Higher Risk			
Residual Risk Score		6-10	12-15	16	20	25		
Risk Category	Compliance, Regulation & Safeguarding	Accept but monitor	Manage & monitor	Management effort required	Considerable management required	Extensive management essential		
	Operational/Service Delivery	Accept	Accept but monitor	Manage & monitor	Management effort worthwhile	Considerable management required		
	Financial	Accept but monitor	Manage & monitor	Management effort worthwhile	Considerable management required	Extensive management essential		
	Reputation	Accept but monitor	Manage & monitor	Management effort worthwhile	Considerable management required	Extensive management essential		
	Strategic Change	Accept but monitor	Accept but monitor	Accept but monitor	Management effort worthwhile	Considerable management required		
	Development & Regeneration	Accept	Accept but monitor	Manage & monitor	Management effort worthwhile	Considerable management required		
	People & Culture	Accept	Accept but monitor	Manage & monitor	Management effort worthwhile	Considerable management required		
Risk Appetite Scale		Accept	Accept but monitor	Manage & monitor	Management effort worthwhile	Management effort required	Considerable management required	Extensive management essential

The Risk and Opportunity Management Strategy provides a detailed rationale for the approach to each category of risk. The table below sets out the definition for each category on the risk appetite scale and the appropriate response within the framework.

Risk Appetite Scale Definitions	
Extensive management essential	Escalate to Strategic Risk Register – Monthly review at Senior Management Team level – formal review at Corporate Management Team level every 6 months  Consider use of KPI metrics to monitor performance of action plans and risk mitigation.
Considerable management required	Consider escalation to Strategic Risk Register – Monthly review at Department Management Team level – formal review at Corporate Management Team level every 6 months;  Consider use of KPI metrics to monitor performance of action plans and risk mitigation.
Management effort required	Add to Operational Risk Register and review at least quarterly at Department Management Team level (consider escalation to Strategic Risk Register if risk cannot be mitigated at department level) – formal review at Corporate Management Team level every 6 months  Consider use of KPI metrics to monitor performance of action plans and risk mitigation.
Management effort worthwhile	Add to operational risk register and review quarterly at Department Management Team level – formal review at Corporate Management Team level every 6 months;  Consider use of KPI metrics to monitor performance of action plans and risk mitigation.
Manage and monitor	Add to operational risk register - formal review every 6 months.
Accept but monitor	Can be managed locally within Team but consider adding to risk register if controls are likely to change;
Accept	Can be managed locally within Team.

#### How Do we Monitor Key Risks?

The reason for monitoring key risks is to create an early warning system for any movement in risk – key risks are defined as those which score 12 or above in accordance with the risk matrix table. High level red risks may be referred to the Scrutiny Board subject to Audit and Governance Committee recommendation. Risks scoring below 12 are considered to be managed effectively and therefore within the Council’s “risk tolerance”. Any risk scored below 6 can be removed from the risk register and archived.

Risk Registers are living documents and therefore must be regularly reviewed and amended. The Risk and Opportunity Management Strategy requires risks recorded on the Strategic Risk and Opportunity Register and service level Operational Risk and Opportunity Registers to be formally monitored every six months by departmental risk champions in consultation with senior managers and lead officers.

Monitoring reports are presented for approval to the Corporate Risk Management Group prior to final ratification by the Audit and Governance Committee. Operational red risks may be referred to the Overview and Scrutiny Management Board.

The questions asked during monitoring are:-

- Is the risk still relevant?
- Is there any movement in the risk score?
- Are the controls still in place and operating effectively?
- Has anything occurred which might change its impact and/or likelihood?
- Have potential opportunities been considered and maximised?
- Have any significant control failures or weaknesses occurred since the last monitoring exercise?
- If so, does this indicate whether the risk is increasing or decreasing?
- If the risk is increasing do I need to devise more controls or think of other ways of mitigating the risk?
- If the risk is decreasing can I relax some existing controls?
- Are controls / actions built into appropriate documented action plans?
- Are there any new or emerging risks?
- Have any of the existing risks ceased to be an issue (and can therefore be archived?)

What are the Roles and Responsibilities?

#

#### **Cabinet Members**

- Approve the Council's Risk and Opportunity Management Strategy
- Receive and approve monitoring reports on the Strategic Risk and Opportunity Register and an annual Risk and Opportunity Management report

#### **Corporate Risk Management Group/CMT**

- Ensure the Council implements and manages risk effectively through the delivery of the Risk and Opportunity Management Strategy and consider risks affecting delivery of services
- Appoint a Senior Information Risk Officer (currently the Strategic Director for Transformation and Change) this role also includes being the Senior Responsible Officer for overseeing the impact on the Council from the use of covert surveillance
- Ensure risk and opportunity management is considered by Management Team Agenda on a quarterly basis
- Provide assurance to Members and Audit and Governance Committee regarding risk and opportunity management compliance.
- Be responsible for and monitor the Strategic Risk and Opportunity Register
- Receive and approve risk and opportunity management status reports from the Operational Risk Management Group
- Approve and monitor the progress and effectiveness of the Risk and Opportunity Management Strategy and Operational Risk Management Group
- Support the embedding of risk and opportunity management within the culture of the Council as an integral part of strategic/business planning, decision-making and performance management framework
- Approve risk and opportunity management monitoring reports to Members and Audit and Governance Committee

### **Lead Member and Officer for Risk and Opportunity Management**

- The Cabinet Member for Finance and the Assistant Chief Executive will act as Member and Officer risk champions
- Ensure that the Council manages risk effectively through the development of a robust and comprehensive Risk and Opportunity Management Strategy

### **Oversight and Governance Manager**

- Support the Council and its departments in the effective development, implementation and review of the Risk and Opportunity Management Strategy
- Share experiences across the Council and partners, promoting, facilitating and overseeing the arrangements for managing and monitoring of risk
- Provide training and guidance in Risk and Opportunity Management
- Support the Corporate Risk Management Group
- Lead and direct the work of the Operational Risk Management Group

### **Operational Risk Management Group (ORMG)**

- Monitor, review and communicate information on operational and strategic risks within their directorate
- Ensure risk and opportunity management is embedded within departmental business plans.
- Review cross cutting operational issues
- Report to Corporate Risk Management Group every six months
- Meet at least four times per year
- Receive, consider and approve bids for financial assistance towards risk reduction initiatives

### **Audit and Governance Committee**

- Provide independent assurance to the Council on the effectiveness of the Council's risk and opportunity management, internal control and overall assurance framework

### **Directors**

- Take responsibility for the promotion of the Risk and Opportunity Management Strategy within their areas
- Ensure that operational risk and opportunity registers are managed, monitored, responded to and communicated effectively in their areas
- Ensure that risk and opportunity management is a key consideration in the delivery of the Council's priorities

### **Managers**

- Identify, evaluate, prioritise and control risks and opportunities facing the Council in achieving its objectives
- Support, assist and inform their Directorate Risk Champion on risk issues
- Include staff without direct responsibility for owning and managing risk in risk discussions to ensure teams identify potential risks associated with service delivery

### **Risk Champions**

- Attend Operational Risk Management Group meetings
- Co-ordinate, present and monitor bids against the Risk Management Fund

- Promote, maintain and monitor risk and opportunity registers in line with risk and opportunity management/business planning guidance
- Support and provide guidance on the risk and opportunity management process in their department
- Promote and advise on the risk and opportunity management strategy
- Integrate and raise awareness of risk and opportunity management within their Directorate

### **Employees**

- Assess and manage risks effectively in their job and report hazards / risks to their service managers
- Undertake their job within contractual, policy and statutory guidelines
- Consult with department risk champion as necessary

### **Devon Audit Partnership**

- Provide a risk based Audit Plan to monitor the effectiveness of Internal Controls and provide a trigger and action plan for management intervention
- Audit the Risk and Opportunity Management Strategy and processes

### **Insurance**

- Ensure appropriate risk-financing arrangements are in place to mitigate against identified insurable risks
- Work with the Corporate Risk Advisor to identify and control insurable risks effectively and economically

### **Health & Safety**

- Provide independent health and safety advice to the Operational Risk Management Group
- Ensure that risks threatening the health, safety and wellbeing of employees and other people using Council premises and services are escalated in real time via the HSW Steering Group
- Support the Council in managing and monitoring health and safety performance

### **Civil Protection Team**

- Assess, manage and monitor risks associated with civil emergencies.
- Co-ordinate and advise on the production, maintenance and testing of a Business Continuity Management Plan for the council.

#

### **How will Freeport Risk Processes be Integrated into PCC's Risk Management System?**

Risk will be a standing item on the Freeport Board Agenda, with a formal review of the risk register on an annual basis to align with corporate processes (above). The Freeport strategic and operational risk registers will feed up into PCC (and SHDC and DCC) risk registers via the relevant corporate oversight and governance processes and be part of CJV board meetings.

### **Initial Freeport Risk Register**

The table overleaf describes the key initial risks in each category.

Type of Risk	Cause	Event	Effect
<b>Compliance, Regulation and Safeguarding</b>	Failure to secure HMRC authorisation for customs sites	Due to insufficient arrangements put in place to satisfy HMRC	Freeport would not be able to benefit from customs levers
	Failure to ensure compliance in terms of tax offer	Due to failure to maintain a record of all the businesses operating in or applying to operate within the tax site	Companies within tax sites may not be able to benefit from tax levers, causing reputational damage
	Risk of air/water/land contamination	Due to accidents/negligence by operators or businesses within the Freeport	Leading to damage to Plymouth's ecosystems/public health impacts
<b>Operational and Service Delivery</b>	Failure to adequately manage security within Freeport	Due to insufficient arrangements put in place	Freeport used for organised crime, illicit activities and ultimately removal of customs authorisation
	Seaports unable to handle demand for cargo	Due to Freeport status driving additional demand	Could constrain opportunities for growth or see increase in cargo transported from other UK ports
	High levels of churn from target businesses	Due to companies re-locating to Plymouth to capture short term tax advantages before moving on (substitution effects)	Leading to lower occupancy than planned
<b>Financial</b>	Failure to secure adequate market interest in sites, or slower than expected occupation	Due to factors such as global economic conditions, attractiveness of offer, poor marketing etc.	Income projections are not achieved and Council has to provide additional financial support to develop/run sites
	Failure to secure all match funding	Due to lack of corporate borrowing ability	Means that the Council cannot draw down the full seed capital from Government and must scale back proposals
	Failure to secure complementary/aligned investments	Due to insufficient funding /highly competitive funding opportunities	Prevents achievement of full vision and may affect market demand and income projections
<b>Strategic Change</b>	Commercial partners withdraw	Due to factors such as global economic conditions, viability of proposals etc.	Freeport operating model may become unviable
	Risk that Governance model is ineffective or unsupportive	Due to factors such as institutional conflicts, personality differences and conflicts of interest	Leading to slow/poor decision making
	Delays in Government decision making pre-Section 31 grant	Due to other departmental/national pressures	Lead to mobilisation delays
	Insufficient Unique Selling Points	Due to failure to understand competition and opportunities to develop Plymouth's offer	Means demand fails to materialise
	Future reduction in demand from UK Navy	Due to defence budget cuts or shift in emphasis	Leads to reduction in demand from commercial partners (e.g. Babcock)
<b>Development and Regeneration</b>	Delays in obtaining planning consents	Due to unexpected planning issues	Leading to delays in starting construction work
	Unexpected costs/increasing costs	Due to rising construction/material costs or	Leading to additional resources required or scaling back plans

Type of Risk	Cause	Event	Effect
		unknown/un foreseen issues encountered in the ground	
	Failure to meet the development timetable	Due to poor weather, supply chain challenges or other unexpected events	Leading to delays in opening the site and income generation
	Freeport tax/customs sites attract businesses from other parts of Plymouth	Due to tax/customs advantages	Leading to displacement
	Failure to recruit contractors	Due to lack of interest/failure to advertise sufficiently	Leading to delays in the development timetable
	Inability to maximise innovation levers	Due to poor up take from local businesses and academic partners	Leading to sub-optimize regeneration benefits
<b>People and Culture</b>	Failure to recruit suitably qualified staff team	Due to lack of interest/failure to advertise sufficiently	Leading to delays in the development timetable
	Insufficient local skills	Due to insufficient provision of relevant training	Prevents businesses from expanding

The tables below set out the risk analysis, including approaches to mitigation. The tables have been broken down into: strategic or development risks (see table below) and operational risks (overleaf).

#### *Strategic/Developmental Risks*

Risk Description	Likelihood Score	Impact Score	Combined Score	Mitigation
Failure to secure HMRC authorisation for customs sites lead to Freeport not being able to benefit from customs levers	3	4	12	<ul style="list-style-type: none"> <li>Recruitment of specialist advisors</li> <li>Recruitment of customs and security manager</li> <li>Close working with HMRC during development phase to put in place appropriate systems</li> </ul>
Failure to secure adequate market interest in sites leads to income projections not being achieved and the Council has to provide additional financial support to develop/run sites	3	4-5	12-16	<ul style="list-style-type: none"> <li>Direct development by commercial partners already engaged</li> <li>Recruitment of a communications manager and specialist PR and Digital agency to promote sites</li> <li>Tax/customs levers provide incentives to businesses</li> <li>Work with DIT to secure FDI, using tools such as a Freeport specific HPO and co-creating a clear action plan for inward investment</li> </ul>
Failure to secure match funding means that the Council cannot draw down the full seed capital from Government and must scale back proposals	2	4	8	<ul style="list-style-type: none"> <li>£17.5 (or 10M minimum) of capital secured via various grants and loans</li> <li>Retention of business rates supports council borrowing to fund development</li> </ul>
Failure to secure complementary or aligned investments prevent the achievement of the full vision and may affect market demand and income projections	4	3	12	<ul style="list-style-type: none"> <li>The Freeport has good fit with existing development strategies and plans</li> <li>Freeport is being given high profile and priority for grant considerations locally</li> <li>Clearly identified and credible funding sources</li> </ul>

Risk Description	Likelihood Score	Impact Score	Combined Score	Mitigation
Commercial partners withdraw leading to the operating model becoming unviable	3	4	12	<ul style="list-style-type: none"> <li>• Back to Back legal arrangements will be put in place to secure commitment of commercial partners following issues of the Section 31 grant</li> </ul>
Risk that the Governance arrangements are ineffective leading to slow or poor decision making	3	4	12	<ul style="list-style-type: none"> <li>• Phased approach to board set-up with shadow structures in place during detailed business planning phase</li> <li>• Contractual Joint Venture vehicle tried and tested method</li> <li>• Strategic selection of board members</li> <li>• Streamlined decision making processes</li> </ul>
Delays in Government decision making pre-Section 31 grant lead to mobilisation delays	4	3	12	<ul style="list-style-type: none"> <li>• PCC to provide accurate, timely information to Government to minimise need for clarification</li> <li>• PCC to use time to prepare for next stages, without over-committing expenditure</li> </ul>
Insufficient Unique Selling Points means demand fails to materialise	2	4	8	<ul style="list-style-type: none"> <li>• Continue to monitor and review competitive positioning to adapt to emerging market opportunities</li> </ul>
Future reduction in demand from UK Navy leads to reduction in demand from commercial partners (e.g. ██████████ )	3	3	9	<ul style="list-style-type: none"> <li>• Work to build a balanced marine sector portfolio in Freeport including superyachts as well as marine renewable opportunities</li> <li>• Continue to explore export opportunities for marine defence</li> </ul>
Delays in obtaining planning consents leading to delays to the project timetable	4	3	12	<ul style="list-style-type: none"> <li>• Land use proposals are consistent with Joint Local Plan, facilitating swift planning decisions</li> <li>• LPAs have strong track record of delivering and processing major planning applications through joint local authority partnership board</li> <li>• Outline planning consents partially in place</li> </ul>
Unexpected/increasing delivery costs lead to additional resource inputs or the scaling back plans	4	4	16	<ul style="list-style-type: none"> <li>• Detailed surveys &amp; cost estimates will be produced as part of detailed business planning phase</li> <li>• Engagement of personnel with tacit knowledge of sites to inform site surveys</li> <li>• Contingencies included in budgets</li> <li>• Procurement of experienced contractors</li> </ul>
Failure to meet the development timetable leads to delays in opening the site and generating income	4	3	12	<ul style="list-style-type: none"> <li>• Realistic timetables produced at detailed business planning phase. These will factor in any known timetable challenges at that time (e.g. supply chain issues resulting from Brexit/covid disruption)</li> </ul>
Failure to recruit contractors leads to delays in the development timetable	3	3	9	<ul style="list-style-type: none"> <li>• Use framework procurement routes to speed up procurement time</li> </ul>
Failure to recruit suitably qualified team leads to delays in the development timetable	2	3	6	<ul style="list-style-type: none"> <li>• Strong advertising campaign to attract talent from across UK</li> <li>• Allow secondments if appropriate</li> </ul>
Insufficient local skills prevents businesses expanding	4	4	20	<ul style="list-style-type: none"> <li>• Bespoke Employment and Skills Plan developed</li> <li>• Development of a marine skills academy</li> <li>• Wider aligned skills provision through City College Plymouth and Plymouth University</li> </ul>

## Operational Risks

Risk Description	Likelihood Score	Impact Score	Combined Score	Mitigation
Failure to ensure compliance in terms of tax offer leading to companies not being able to benefit from tax levers	2	3	6	<ul style="list-style-type: none"> <li>Close working with HMRC during development phase to put in place appropriate systems</li> </ul>
Accidents or negligence by businesses or operators within the Freeport lead to damage to Plymouth's ecosystems or public health impacts	3	3	9	<ul style="list-style-type: none"> <li>Environmental Management System put in place</li> <li>Contracts with operators and businesses require compliance with all relevant environmental legislation</li> </ul>
Failure to adequately manage security within Freeport leads to Freeport being used for organised crime and illicit activities which may lead to removal of customs authorisation	3	4	12	<ul style="list-style-type: none"> <li>Recruitment of customs and security manager</li> <li>Installation of security barriers, CCTV and intruder alarms and appropriate staffing</li> <li>Appropriate ID/criminal record checks made of businesses</li> <li>Open access to sites by Customs, Border Force and other regulatory officials</li> <li>Sample checks on entries</li> <li>Use of proven inventory management and transport management systems</li> <li>Installation of security systems to monitor and record movement of goods</li> </ul>
Seaports unable to handle increased demand for cargo	3	2	6	<ul style="list-style-type: none"> <li>Look to re-open Plymouth airport</li> <li>Look at opportunities to transport goods from other sea ports</li> </ul>
High levels of churn from target businesses lead to lower demand than anticipated	3	3	9	<ul style="list-style-type: none"> <li>Provision of effective aftercare services</li> <li>Provision of benefits (e.g. innovation support) that go beyond initial tax breaks</li> </ul>
Freeport tax/customs sites attract businesses from other parts of Plymouth leading to displacement	3	3	9	<ul style="list-style-type: none"> <li>Robust gateways procedures put in place</li> <li>Plymouth Freeport Index used</li> </ul>
Inability to maximise innovation levers leads to sub-optimal regeneration benefits	3	3	9	<ul style="list-style-type: none"> <li>Develop a bespoke R&amp;I strategy for the Freeport</li> <li>Use of innovation specific sources of funding (via partner projects)</li> <li>Existing innovation capacity/track record within partnership (e.g. Oceansgate and University)</li> </ul>

## Contingency and Arrangements if Risks are Realised

If substantial risk were realised, the board and SRO would escalate to MHCLG and HMG to look for support to mitigate where continued value for money is identified.

## Annex 4 - Background to the Key Sites and Implementation Narrative

This proposal is centred around three sites which will deliver:

### **An Innovation Hotbed Site**

Devonport South Yard is located within the City Centre and Waterfront area adjacent to the Port. It is a brownfield site with deep water access that has been partially released from MOD to develop specialist infrastructure and facilities for high value marine and defence innovation and applications. The site is home to the Oceansgate Enterprise Zone (the UK's first marine enterprise zone) and also houses defence prime Babcock along with Princess Yachts.

As part of a major regeneration project, Devonport South Yard is being developed in three phases, providing a unique collection of docks, jetties, slipways, and office space along with other facilities that support marine businesses. The first phase of development, comprising some 2,500m<sup>2</sup> of offices and light industrial workspace for marine businesses, was completed in April 2018. The second phase, comprising approximately 2,800m<sup>2</sup> (GIA) of office and light industrial business space is currently under construction, and is due to be completed in February 2021. Both phases are over 90% occupied or under offer. The Marine Business Technology Centre (MBTC) was developed and located on the site during Phase 1 and is pivotal to our innovation plans.

### **Twin Capacity Expansion Sites**

Langage and Sherford are both relatively large undeveloped sites, totalling 73 hectares, on the outskirts of Plymouth on either side of the Devon Expressway offering ideal locations for high volume activities away from the waterfront.

- **Langage** – is a strategically important employment location and has long been identified in former Structure Plans, Regional Plans / Regional Spatial Strategies, and local plans (in both Plymouth and South Hams) as an opportunity for a Strategic Employment Site of regional significance, providing a specific offer which cannot be replicated in the city. In this respect, considerable investment has taken place in the last decade, including the construction of a power station and the compulsory purchase of land in 2016 to bring the site identified in PLY51 substantially under a single landowner (Langage Energy Park Ltd). Part of the Eastern Corridor Growth Area, it has a planning consent for up to 48,000 sqm which has been instigated through the creation of business units and platforms which host solar panels.

Langage is therefore a unique offer as a capacity expansion site area by virtue of its scale, its location in relation to the strategic highway network and at the eastern edge of the city, and the potential synergies with other uses. It provides an opportunity that other sites cannot match for strategic employment uses and large footprint employment developments, with a long-standing history of support and investment.

- **Sherford Business Park Plymouth** - is a partially serviced development site of 33 acres within one of the region's largest new mixed-use communities. The site forms part of the strategic masterplan for Sherford New Community, a development of 5,500 new homes and 67,000 square metres of employment floorspace unrestricted across the B Use Classes. Like Langage, it forms part of the Eastern Corridor Growth Area as identified within the Plymouth Core Strategy because of its potential to deliver a regionally significant scale of growth in new jobs, homes and infrastructure.

The Business Park is being marketed as a particularly attractive location for those in the industrial, maritime, manufacturing, technology, advanced engineering and distribution industries and will form a key component of our capacity expansion plans.

Our implementation plan will enable us to develop those sites with use of the Freeport levers.

### Implementation Plan

Our bid sets out a high level phased approach to implementing our proposals in order to deliver our Freeport Strategy.

- Phase 1: Pre-Announcement
- Phase 2: Business Planning and Set-Up
- Phase 3: Mobilisation
- Phase 4: Construction
- Phase 5: Operation and Monitoring

If successful, a fully costed and detailed business plan will be developed. The information in the tables overleaf provides more detail on each phase covering:

- The objectives of each phase
- Expected deliverables
- Key milestones and timings
- Monitoring, control and review
- Main activities and milestones (including resources, and dependences/constraints)

## Phase 1: Pre-announcement

Phase	1: Pre-Announcement			
<b>Objectives</b>	The main purpose of this phase is to continue the project planning discussions with partners and prepare the ground for the rapid development of a business case, should Plymouth be announced as a successful bidder			
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>✓ Detailed understanding of site constraints, opportunities and commercial partner aspirations</li> <li>✓ High level scoping and costs developed</li> <li>✓ Governance arrangements finalised and paperwork in place</li> <li>✓ Consultancy team(s) assembled</li> </ul>			
<b>Key milestones &amp; timings</b>	This phase of development will take place between submission of the Freeport bid and the announcement from Government of successful bidders. We have assumed the announcement will take place in spring/early summer, as indicated in the prospectus.			
<b>Monitoring, control and review</b>	The SRO will continue to monitor and review activity within this phase.			
<b>Main activities and milestones</b>				
Activity	Start	Finish	Resources & expertise	Dependencies/ Constraints
Continue discussion with site owners and commercial partners	08/02/21	31/05/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Economic development</li> <li>• Planning</li> <li>• Finance and business rates</li> </ul>	None
Key documents for Governance Body prepared	08/02/21	31/05/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Legal and governance</li> </ul>	None
High level site scoping and cost development	08/02/21	31/05/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Specialist feasibility/cost consultants (funded by PCC)</li> </ul>	None
Specialist consultancy teams assembled (customs and security and business case development)	08/02/21	31/05/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Procurement</li> </ul>	None
Successful Freeport bidders announced	08/02/21	31/05/21	None	None

## Phase 2: Detailed Business Planning

Phase		2: Detailed Business Planning		
<b>Objectives</b>	The main purpose of this phase is to develop fully comprehensive and costed plans for the Freeport. These will enable outline and full business cases to be signed off by Plymouth City Council, Private Sector Partners and ultimately Government.			
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>✓ Shadow Governance Structures Set up (including risk management processes)</li> <li>✓ Site boundaries agreed with HMT/HMRC</li> <li>✓ Detailed feasibility and cost studies undertaken</li> <li>✓ Agreements negotiated with site owners/partners</li> <li>✓ Outline and full business case submitted</li> <li>✓ Section 31 grant issued and legal agreements signed with key partners</li> </ul>			
<b>Key milestones &amp; timings</b>	<p>We have assumed that this stage will commence in the summer of 2021 when Successful Freeport bidders are announced.</p> <p>We estimate that 3 months will be sufficient to prepare the Outline Business Case (OBC), allowing time for detailed feasibility/cost studies to feed into the process. We have assumed that Government will require some time to review the OBC and have allowed for two months for this, based on previous experience.</p> <p>Whilst the Outline Business Case is being reviewed, we will start work on the Full Business Case, aiming to complete this by the end of Dec 2021. Again, we have assumed that Government will require some time to review this and have allowed for 1 month, as issues highlighted at the OBC stage will have been addressed. Assuming the FBC is satisfactory, we anticipate receiving the Section 31 Grant at the end of Jan/early Feb 2022</p>			
<b>Monitoring, control and review</b>	<p>The Shadow Governance Structures will be set up at the beginning of this stage and will take an active role in monitoring and reviewing progress. During this phase, we anticipate that the board will quarterly to correspond to key milestones below:</p> <ul style="list-style-type: none"> <li>✓ Upon appointment – to agree Terms of Reference and agree the implementation plan for this phase</li> <li>✓ To review the draft OBC and risk processes (Aug 2021)</li> <li>✓ To receive feedback from Government on the OBC and review draft FBC (Dec 2021)</li> </ul>			
<b>Main activities and milestones</b>				
Activity	Start	Finish	Resources & expertise	Dependencies/ Constraints
Set-up Shadow Freeport Governance Body	02/06/21	01/04/22 (including meetings)	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Legal and governance</li> </ul>	Key documents for Governance Body prepared
Risk management processes set-up and integrated	02/06/21	02/08/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Oversight and governance</li> </ul>	
Detailed scoping and cost development	02/06/21	03/08/21	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> </ul> Additional requirements <ul style="list-style-type: none"> <li>• Specialist feasibility/cost consultants</li> </ul>	Consultancy team assembled

Activity	Start	Finish	Resources & expertise	Dependencies/ Constraints
Work with HMT and HMRC to review and confirm boundaries of sites	02/06/21	31/08/21	Existing resources <ul style="list-style-type: none"> <li>SRO</li> </ul> Additional requirements <ul style="list-style-type: none"> <li>Specialist customs and security advice</li> </ul>	<ul style="list-style-type: none"> <li>Detailed understanding of cost implications and site constraints</li> <li>Consultancy team (customs and security) assembled</li> </ul>
Planning and other permissions (where required)	02/06/21	23/11/21	Existing resources <ul style="list-style-type: none"> <li>SRO</li> <li>PCC capital projects team</li> </ul>	<ul style="list-style-type: none"> <li>Detailed understanding of cost implications and site constraints</li> </ul>
Negotiation of agreements with site owners and partners	02/06/21	23/12/21	Existing resources <ul style="list-style-type: none"> <li>SRO</li> <li>Legal and governance</li> </ul>	Detailed understanding of partner aspirations and plans for each site
Green Book compliant Business Case Development (OBC and FBC)	02/06/21	31/01/22	Existing resources <ul style="list-style-type: none"> <li>SRO and PCC staff</li> </ul> Additional requirements <ul style="list-style-type: none"> <li>Business case consultants</li> </ul>	Procurement exercise for Phase 2 consultancy
Section 31 Grant Issued	01/02/22	2/02/22	Existing resources <ul style="list-style-type: none"> <li>SRO and PCC staff</li> <li>Legal and governance</li> </ul>	Business case accepted
Legal agreements signed with key partners	03/02/22	04/02/22	Existing resources <ul style="list-style-type: none"> <li>SRO and PCC staff</li> <li>Legal and governance</li> </ul>	Section 31 Grant Issued

## Phase 3: Mobilisation

Phase	3: Mobilisation			
<b>Objectives</b>	Following receipt of the Section 31 Grant, the objective for this phase is to fully mobilise all key activities necessary to implement the Freeport			
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>✓ Freeport Governance Body formally constituted</li> <li>✓ Key staff recruited</li> <li>✓ Monitoring, evaluation and reporting systems set up</li> <li>✓ Displacement and substitution approaches set up</li> <li>✓ Marketing and promotion activity started, including work with DIT</li> <li>✓ Customs and security operators procured</li> <li>✓ HMRC authorisation for custom sites secured</li> <li>✓ Research and innovation programme initiated</li> <li>✓ Employment and Skills programme (including skills academy) initiated</li> <li>✓ Design and Build contracts procured</li> </ul>			
<b>Key milestones &amp; timings</b>	The mobilisation phase starts in February 2022, following the issue of the Section 31 Grant. At this point, the Governing body will transition from shadow to formal status and recruit key staff, namely the CEO, Finance, Communication and R&I managers. We have allowed 3 months for the recruitment process. Once in post the team will take forward the key activities identified for this phase. The majority of these actions are expected to be complete by August 2022, as the construction phase starts. However, whilst the HMRC authorisation process will start in the mobilisation phase, we do not expect to complete this process until the construction works are complete and security measures are in place.			
<b>Monitoring, control and review</b>	<p>The Freeport Board, now formally constituted as a CJV, will continue to monitor activity throughout this phase, with financial oversight from the public sector in accordance with delegated thresholds. The board will meet regularly during this phase to provide strategic direction to the staff team and oversee key actions.</p> <p>A key action for this phase is to put in place the necessary monitoring, evaluation and reporting systems to capture data as the project progresses. This will enable us to provide MHCLG with accurate and timely progress reports as well as sharing key data with HMRC.</p>			
<b>Main activities and milestones</b>				
Activity	Start	Finish	Resources & expertise	Dependencies/ Constraints
Freeport Governance Body formally constituted	03/02/22	09/02/22	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• Legal and governance</li> </ul>	Legal arrangements to establish JVC
Recruit CEO, Finance, communication and R&I managers	10/02/22	06/05/22	Existing resources <ul style="list-style-type: none"> <li>• SRO</li> <li>• HR</li> </ul> Additional resources <ul style="list-style-type: none"> <li>• Revenue budget</li> </ul>	Job descriptions and recruitment packs
Monitoring, evaluation and reporting systems set up	10/02/22	13/05/22	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> </ul>	Guidance on monitoring requirements from MHCLG and HMRC
Displacement and substitution approach (inc. Gateway policy)	09/05/22	07/07/22	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> </ul>	

Activity	Start	Finish	Resources & expertise	Dependencies/ Constraints
PR and digital agencies procured to promote Freeport	09/05/22	07/07/22	Additional resources <ul style="list-style-type: none"> <li>Staff team</li> <li>Marketing budget</li> </ul>	Communications manager appointed
Customs operator and security operators procured	09/05/22	07/07/22	Additional resources <ul style="list-style-type: none"> <li>Staff team</li> <li>Customs and security operator budget (£350,000)</li> </ul>	<ul style="list-style-type: none"> <li>Advice from customs and security consultants (procured in Phase 1)</li> <li>Boundaries to customs and tax sites agreed with HMRC (in Phase 2)</li> <li>Publication of further details on authorisation requirements</li> </ul>
Secure HMRC authorisation for customs sites	08/07/22	12/06/23	Additional resources <ul style="list-style-type: none"> <li>Staff team</li> <li>Payment of HMRC, border force &amp; phytosanitary fees</li> </ul>	We understand that the start the process, the customs operator and security operators will need to have been procured. However, in order to complete the authorisation process, the security measures including fencing must actually be in place.
Initiate Research and Innovation programme development	09/05/22	08/07/22	Additional resources <ul style="list-style-type: none"> <li>Staff team</li> </ul>	Recruitment of key staff
Initiate Employment and Skills Programme development (including skills academy)	09/05/22	08/07/22	Additional resources <ul style="list-style-type: none"> <li>Staff team</li> </ul>	Recruitment of key staff
Procure design and build contracts	09/05/22	09/08/22	Existing resources <ul style="list-style-type: none"> <li>Major Capital projects team</li> <li>Procurement</li> </ul> Additional resources <ul style="list-style-type: none"> <li>Staff team</li> </ul>	Recruitment of key staff

## Phase 4: Construction

<b>Phase</b>	4: Construction			
<b>Objectives</b>	The purpose of this phase is to undertake the construction of the capital works necessary to prepare the Freeport for operation			
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>✓ Site works completed at Langage</li> <li>✓ Site works completed at South Yard</li> <li>✓ Site works completed at Sherford</li> <li>✓ Transport infrastructure projects complete</li> </ul>			
<b>Key milestones &amp; timings</b>	<p>We anticipate this phase will start in August 2022, after design and build contractors have been appointed for the various work packages.</p> <p>The exact phases for each site will be determined at phase 2 above, after detailed scoping and costing works have been completed. It is however, expected that the seed capital works will be undertaken within 6months of the appointment of contractors.</p> <p>Alongside the seed capital funded works, other, related construction projects will proceed (e.g. construction of buildings and fences). Some of which will be able to start in parallel with the seed capital works and some will require seed capital projects to be complete.</p>			
<b>Monitoring, control and review</b>	<p>The Freeport Board, now formally constituted as a CJV, will continue to monitor activity throughout this phase, with financial oversight from the public sector in accordance with delegated thresholds. The board will meet regularly during this phase to provide strategic direction to the staff team and oversee key actions.</p> <p>A key focus of monitoring activity during this phase will be the progress against cost and time schedules.</p>			
<b>Main activities and milestones</b>				
<b>Activity</b>	<b>Start</b>	<b>Finish</b>	<b>Resources &amp; expertise</b>	<b>Dependencies/ Constraints</b>
Site works Langage	10/08/22	12/05/23	Existing resources	<ul style="list-style-type: none"> <li>• Planning Permission secured</li> <li>• Procurement of design and build contractor</li> </ul>
Site works South Yard	10/08/22	12/05/23	<ul style="list-style-type: none"> <li>• Major Capital projects team</li> <li>• Procurement</li> </ul>	
Site works Sherford	10/08/22	12/05/23		
Transport Infrastructure	10/08/22	12/05/23	<p>Additional resources</p> <ul style="list-style-type: none"> <li>• staff team</li> <li>• capital costs (£35M or £20M minimum plan) 50:%0 grant and match</li> </ul>	

## Phase 5: Operation and Monitoring

Phase		5: Operation and Monitoring		
<b>Objectives</b>	The objective of this phase is to put in to operationalise the Freeport			
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>✓ Marketing and promotion activities continue to be delivered</li> <li>✓ A CRM system and data sharing arrangements are up and running</li> <li>✓ Security systems are up and running</li> <li>✓ Employment and skills activities are being delivered</li> <li>✓ Research and innovation activities are being delivered</li> <li>✓ Businesses (including FDI) locate on site</li> </ul>			
<b>Key milestones &amp; timings</b>	<p>This phase overlaps with the construction phase, with delivery of marketing and promotion work running in parallel with the construction phase to generate further interest and investment in the site.</p> <p>Other activities also come on stream as the construction work draws to a close in order to prepare for the opening of the Freeport, including:</p> <ul style="list-style-type: none"> <li>• operationalising the security systems</li> <li>• setting up the CRM and data sharing arrangements with HMRC</li> <li>• delivery of employment and skills activities</li> <li>• delivery of research and innovation activities</li> </ul> <p>It is likely that some sites or indeed parts of sites will come on stream faster than others and the detailed timeline for bringing forward each development will be developed during Phase 2.</p>			
<b>Monitoring, control and review</b>	The Freeport Board will be responsible for monitoring progress during this phase and for the duration of the life of the Freeport as detailed above.			
<b>Main activities and milestones</b>				
<b>Activity</b>	<b>Start</b>	<b>Finish</b>	<b>Resources &amp; expertise</b>	<b>Dependencies/ Constraints</b>
Marketing, PR and promotion activity to promote sites to investors	07/08/22	Ongoing for life of Freeport	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> <li>• PR and digital agencies (£20k/year)</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment of staff team</li> <li>• Procurement of PR and Digital agencies</li> <li>• DIT collaboration</li> </ul>
Recruitment of customs and security manager	17/01/23	17/03/23	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> <li>• HR</li> </ul>	
Work with security operator to put in place security systems	10/03/23	Ongoing	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> <li>• Security operator (£350k/year) but scaled based on operation size in early years</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment of customs and security manager</li> <li>• Procurement of security operator</li> <li>• Construction elements, such as fencing complete</li> </ul>
Deliver employment and skills activity	13/03/23	Ongoing	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> <li>• Employment and skills delivery contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment of employment and skills manager</li> <li>• Procurement of employment and skills delivery contractor</li> </ul>

Deliver research and innovation activity	13/03/23	Ongoing	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> <li>• Innovation business support contractor (£91k)</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment of employment and skills manager</li> <li>• Procurement of employment and skills delivery contractor</li> </ul>
First occupants on site	01/06/23	31/08/23	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> </ul>	All previous
Business monitoring starts	01/09/23	Ongoing	Additional resources <ul style="list-style-type: none"> <li>• Staff team</li> </ul>	Wider monitoring, evaluation and reporting systems agreed First occupants on site

## Annex 5 - Costs and Income Projections

### Financial Profile

Greater detail on costs

We have create an operating cost model that includes the follow items.

It is expected that HMG will assist with grant funding during setting up and the critical Business Case and approval period in the Summer of 2021.

Start up costs	£
Business case costs - Plymouth City Council staffing	120,000
Business case costs – Consultancy	40,000
Start up expenditure Total	160,000

Freeport Operating Costs	Annual £
Loans/ Service borrowing over 40 years @ 2%	539,636
Loans/ Service borrowing over 50 years @ 2%	87,132
CEO (all salaries include 30% aligned oncosts)	130,000
Finance Manager	65,000
Innovation Director	91,000
Administration staff	65,000
Communications Manager	52,000
Customs and Security Manager	78,000
Outsourced customs & security	350,000
Freeport consultants	50,000
Freeport team workspace/overheads	45,000
Sundry/contingency	30,000
Marketing	20,000
Vehicles and handling equipment costs	5,000
Bank Charges	1,000
Legal costs	5,000
HMRC Fees	20,000
Border force fees	20,000
Physitosanitary Fees	20,000
Environmental & waste fees	10,000
<b>Expenditure total</b>	<b>1,683,768</b>

How will we deal with unexpected rising costs?

More items and changes to these cost may arise during the detail business planning stage based on need and also aligned activity that stems from the new Freeport (like an a fully funded Innovation programme, or the funded Maritime Skill Academy).

We will tied in government and private funding to allow for the additional costs. The may also leverage any surplus to re-invest and bring on high impact addition services.

## Greater detail on revenue

We will further leverage our Freeport and customs expert panel to detail our Freeport offer and price list and during the next stage. To assist our initial modelling we have the following revenue items and estimated revenues to breakeven. We will study the UK and global market to make sure these are competitive rates and make overall adjustments to our offer/ seek new revenue items as needed.

Revenue from Companies	Total £	Fee £
Application Fees	14,000	200
Registration Fees - Fz Entity	62,500	2,500
Registration Fees - Duty Free Entity	37,500	1,500
Registration Fees - Tax Free Entity	15,000	1,500
Registration Fees - Fz Services Co	10,000	1,000
Registration Fees - Employee Clearance	15,000	50
Licence Fees - Fz Entity	50,000	2,000
Licence Fees - Duty Free Entity	25,000	1,000
Licence Fees - Tax Free Entity	10,000	1,000
Licence Fees - Fz Services Co	5,000	500
<b>Income Subtotal</b>	<b>244,000</b>	

Freeport Revenue (based on sqm or tonnage) - Land owner	Total £	Size of site
Langage Freeport annual mgt fee	630,953	180,000
Sherford Freeport annual mgt fee	182,275	52,000
South Yard Freeport annual mgt fee	26,290	7,500
<b>Income subtotal</b>	<b>839,518</b>	<b>239,500</b>

Other Freeport Revenue	Total £	Charge per member £
Port of Plymouth participation fee	50,000	
Plymouth Freeport Innovation Membership	52,500	350
Oceansgate innovation hub - management fee	-	
<b>Income subtotal</b>	<b>102,500</b>	

Retained Business Rates	Total £	
Langage	385,261	When 90% occupied
Sherford	93,105	When 90% occupied
South yard	19,385	When 90% occupied
Retained NNDR total	<b>497,750</b>	
<b>Income Total</b>	<b>1,683,768</b>	

Our initial Financial Model, profiles these revenue and costs based on occupancy (speed of development and take up on leases) and the timing activity on the Implementation Plan (ie. time of hiring, etc). This has shown that with the preferred development we cover cost from year one and

create surplus for reinvesting against further funding. With the minimum development we are loss making in year one only and cover costs thereafter with slower surpluses to also reinvest. We will looking cover losing by contributions within the CJV.

#### Ensuring Delivery (time, quality cost)

As highlighted above, Plymouth City Council has a strong track record in delivering capital and revenue projects to a high quality, on time and on budget. We do this through a comprehensive approach to project management and quality control which includes:

- Adoption of Project Management Systems such as PRINCE 2
- We will leverage the thorough and complaint PCC procurement process throughout and lead partner

## Annex 6: Plymouth's Future Ocean Institute

### FUTURE OCEAN INSTITUTE (FOI) – POSITIONING DOCUMENT

#### FOR A NATIONAL MARINE TECHNOLOGY CENTRE IN THE SOUTH WEST UK - 24 SEPTEMBER 2020

The '**Future Ocean Institute**' is a bold ambition to position the UK at the heart of the future blue economy projected to be worth \$3 trillion by 2030. Playing to the South West and UK strength in smart robotics and clean energy this network will develop tomorrow's marine technology with a focus on **autonomous** and **digital** systems, **clean propulsion** and future **cyber-secure smart ports**.

This is the region's contribution to the UK's digitally focused tech led recovery. It is a vital part of the post COVID recovery plan to build back better and create over 4000 jobs – some immediate with capital construction programmes and high-value engineering, design and R&D jobs over the next 5-years and beyond.

The South West UK is a natural location for maritime and marine business and innovation. The Maritime UK SW and the Great South West initiatives highlight this national strength across Dorset, Somerset, Devon and Cornwall. The Future Ocean Institute (FOI) has been jointly developed by Maritime UK SW, industry, academia, regional and local government.

We are now seeking to work with Government via Ministry for Homes Communities and Local Government (MHCLG) to co-design a significant multi-million pound programme that boosts and raises the profile of the innovation work already underway in the South West. The marine and maritime sector has the potential to enable cross-Government and regional collaboration to develop and attract high value jobs, increase productivity and economic activity. The ability to leverage research and development to develop clusters will be vital to support the levelling-up agenda across the whole of the UK.

The Future Ocean Institute seeks collaboration with senior influential officials to fully develop and deliver a short term implementation of key ready to start projects and a longer term plan for logical evolution and UK competitive positioning – with funding coming from future CSR and budgets. Officials and experts from departments and bodies including the Department for Transport (DfT), Ministry of Defence (MoD), the Department for International Trade (DIT), the Department for Business, Energy and Industrial Strategy (BEIS) and the UK Hydrographic Office (UKHO), that all have digitisation, digital security, autonomy and data at the heart of their maritime activities. FOI is featured in Heart of the South West LEP and Maritime UK Decarbonisation CSR submissions – so naturally we will include them and others in the co-design.

This concerted initiative will help shape the region's offer for the UK as have the Northern Powerhouse/ Midlands Engine, with a clear focus of placing the UK as a world-leader in advanced maritime technology. It will allow the UK to equal similar Ocean and Marine technology investments made by other leading maritime nations. A triple helix innovation model with academia, industry and Catapults/Government departments focused on the future of the ocean will drive this ambition.

Carbon Zero is also driving rapid roll out of Floating Offshore Wind and alternative propulsion for shipping against targets in the Government's Clean Maritime Plan, and the new technology required for Smart Ports, as we move towards integrating smart ships with digital rail and road are providing further opportunities.

The South West has a key role to play in the development of solutions for these pressing drivers, and the areas of focus for the Future Ocean Institute include:

1. Marine Autonomy, Seabed Mapping and Geospatial Data
2. Marine Clean Propulsion
3. Smart Marine Technology to support Offshore Renewable Energy
4. Marine Science and Aquaculture - sustainable ocean economy
5. Smart Ports and Intermodal Connectivity

This will position the UK as a global leader in advanced maritime technologies and will be a key pillar of the country's ambition to be a science and innovation superpower. This ambition is supported by international centres in Canada, Australia, the Kingdom of Saudi Arabia, France, Germany and the United States (letters of

support attached). Our ambition is to accelerate the work already underway in the South West region, with three High Potential Opportunities lead by Department for International Trade around Marine Autonomy, Aquaculture and Photonics, and to use 2021 period to super-charge this growth.

The Future Ocean Institute will act to provide an engine to deliver the **levelling up agenda** in the South West and will enable cross Government and regional collaboration to develop and attract high value jobs, increase productivity and economic activity. In an international context, it will boost collaboration with other leading Marine and Maritime Clusters around the world, allowing the UK to more effectively **attract inward investment** and **economic growth**.

The Future Ocean Initiative extends an already established Marine Business Technology Centre partnership between key academic and government organisations of the University of Plymouth, University of Exeter, Plymouth Marine Laboratory, Marine Biological Association, and Plymouth City Council to now include key marine industry players of Babcock, Thales, BMT and Maritime UK SW. The FOI will also strengthen established links and joint projects with the UK Hydrographic Office and the Met Office (letters of support attached). It is a key part of the Heart of the South West LEP's wider economic plan to restart the economy post-COVID.

#### **Key aspects to further develop and complete:**

- **Create Economic Growth and DfT Innovation Hub** - to provide “a collaborative centre linking the maritime sector with a group of other key players” and the department has identified “academia, local and national companies or technologists” as some of these potential collaborators. This builds upon the developing ecosystem in the region based on maritime autonomy and digitisation at sea. This is already involving large technology organisations, SMEs, academia and local/regional government partners to deliver innovation, collaboration and economic growth. A detailed application for Innovation Hub status has already been developed and submitted to DfT.
- **Sustain & Create STEM Role in the Region.** Provide high skilled, high value jobs in Science, Technology, Engineering and Maths (STEM) for local people and for people moving into the region. The digitisation needs of the maritime sector will create demand for new data science jobs. The maritime sector's productivity is 42% higher than the national average and has an employment multiplier of 4.85 (The state of the Maritime Nation 2019, Maritime UK), so having the FOI as an anchor point to draw in public and private investment provides a positive multiplier to the wider local economy and an accelerant for employment opportunities to 'level up'.
- **Establish UK as a Maritime Technology Superpower.** In the context of the UK leaving the EU, this is an opportunity to secure the UK's future as a science and innovation superpower. The FOI will work with MarRI-UK to ensure alignment with national research programmes. The designation of Plymouth as an autonomy, technology and digitisation Innovation Hub will enable the acceleration of technology and innovation to gain an international status in the development and testing of next generation maritime technologies.
- **Advance towards Maritime Net Zero Carbon Emissions.** The mission of our key partner Maritime UK South West is to bring together the breadth of our ocean economy, working in partnership to champion and grow the sector and support maritime net zero – a Maritime 2050 key objective.
- **Leverage Existing Maritime Infrastructure.** Plymouth already boasts key infrastructure for this developing industry with further roadmaps under development. Investing in existing maritime infrastructure is far more cost effective than starting from scratch elsewhere. Key development sites in mid-phases – needing funding to complete are **South Yard** - Oceansgate UK's first marine Enterprise Zone and **Turnchapel Wharf**.
- **Leverage & Grow Existing Skills Base.** Plymouth, and the wider South West, has the maritime industry at its heart, both historically and from an economic perspective. The percentage total of regional employment that is supported by the maritime sector is 5.9%, the highest of any region in the UK (source: *'The state of the Maritime Nation 2019, Maritime UK'*). As the sector embraces future technologies, it is important that this region's existing workforce are taken forward with it.
- **Attract International Business and Partnerships.** Plymouth is rapidly gaining an internationally recognised status as a leading centre for the research, design and development of autonomous systems.

Recognition of this dynamic ecosystem will enable the UK to develop sovereign capability and secure market share in this growing sector for autonomy in defence, renewables, aquaculture, smart shipping and the emerging deep-sea mining sector.

- **Designate Smart Sound Plymouth as the UK's centre for Marine Autonomy trials, validation and certification.** The location of the city is truly unique with quick access to deep, uncongested waters and access to trial areas ranging from sheltered locations to hostile 'real world' environments. The Marine Business Technology Centre (MBTC) and Future Autonomous at Sea Technologies (FAST) Cluster has partnered to create the Smart Sound Plymouth – a charted area south of Plymouth which provides a representative test and evaluation range for maritime technology innovation. The Smart Sound encompasses a number of 'in-sea' facilities, including the Western Channel Observatory (WCO), operated by the Plymouth Marine Laboratory (PML), which deploys numerous physical assets and brings an unprecedented level of understanding of this environment. The Smart Sound is implementing high speed 5G and MESH connectivity across the port and up to 20 miles offshore, connecting the multiple assets to deliver a range of trials including moored platforms, manned vessels and autonomous platforms. A roadmap of further enhancements to this already established facility will deliver a world beating maritime testbed.
- **Deliver Immediate Benefit to UK MOD.** The wider South West region has been recognised as a key part of the defence innovation ecosystem in the UK. The Defence and Security Accelerator (DASA) is a cross-Government organisation created to accelerate the rate of innovation to support UK national security. The South West was selected as the first DASA Regional Defence Cluster and will be supporting defence innovation through existing and new SME's and strategic partners. The cluster is focused on developing new and innovative technologies to support the armed forces whilst involving strategic, regional partners to provide the path for successful industry exploitation for the UK and export markets.
- **Enable Business, Technology and Skills.** The University of Plymouth is home to approximately 2,600 students enrolled across a variety of marine related programmes. The University now delivers post-graduate courses in both Autonomous Systems and Robotics. Working alongside industry partners and the University's Autonomous Marine Systems Research Group these programmes cater to the demand for expertise in Artificial Intelligence decision-making, navigation guidance, control and sensor fusion, machine learning, digital security and data management. City College Plymouth has developed a UK first Foundation Degree in Marine Autonomous Vehicles as an alternative route into the sector outside of the university route, which will also help to address regional skills gaps and shortages. In addition to the established academic institutions numerous marine and maritime organisations in Plymouth deliver highly successful apprenticeship programmes. The FOI will target skills developments in the following enabling technology areas that have been identified as critical to the UK's future strategic positioning as a Maritime Technology Superpower:



### TIME IMPERATIVE

The opportunity to establish the UK as a maritime technology superpower will not remain open indefinitely. Our competitors and adversaries are all seeking to make up ground in this sector, increasing their investment and efforts significantly each year. Britain's maritime heritage is long, proud and lucrative. However, it is a position that we must not take for granted. If we are to continue to dominate in this field the time to invest is now.

Canada recently invested C\$ 950M in its Ocean Super Cluster [www.oceansupercluster.ca](http://www.oceansupercluster.ca) an industry-led collaboration aiming to build Canada's ocean economy into one of the country's most significant and sustainable value-creating economic segments, spanning all aspects of the ocean economy, including fisheries, aquaculture, oil and gas, marine bio products, transportation, defence, marine renewables, and ocean technology. The Norwegian Government released an updated Ocean Strategy in 2019, and this year, the Norwegian government has proposed a NOK 3.6bn (USD \$370m) crisis package to support green technology projects. Hydrogen, battery technology, offshore wind and low-emission shipping are among the areas that should benefit. Similar investments are being made or requested in Germany, New Zealand, Australia, Singapore, the USA and others. The Ocean Climate Action Plan (OCAP), or Blue New Deal is a policy framework to accomplish sustainable blue economy growth to address Coastal Adaptation and Financing, Clean Ocean Energy, Ports, Shipping, and the Maritime Sector, Sustainable Fisheries, Aquaculture, and Marine Biodiversity. Marine Clusters in these countries have expressed support for this UK initiative and wish to collaborate. Our intent is to collaborate at least as equals if not leaders.

### STRATEGIC, ECONOMIC & POLITICAL CONTEXT

The marine and maritime sector is one of Britain's biggest industries, supporting over £47 billion in business turnover, £17 billion in direct GVA and 1,066,000 supported jobs for UK employees in 2017 (source: *'The state of the Maritime Nation 2019, Maritime UK'*). In context, the direct GVA contribution was £7 billion more than the direct contribution from the Manufacture of Other Transport Equipment industry. The evidence shows that the blue economy will outperform many other sectors with its projected doubling in size to \$3 trillion by 2030 (source: *'Foresight Future of the Sea, 2018'*).

The Government Office for Science identified that "Autonomy is likely to be the single most important marine technological development" (source: *'Foresight Future of the Sea: Industry Perspectives on Emerging Technology, 2017'*). There is an estimated global market of \$136 billion for marine autonomy over the next 15 years, particularly for cost-effective data collection for offshore marine operations including; Defence, Oil and Gas, ORE, Aquaculture and Deep Sea Mining, with the UK adopting a 10 per cent market share (source: *'Foresight*

*Future of the Sea, 2018*). The FOI would act as the UK showcase for the potential \$14bn trade we hope to receive during this initial ramp up period.

Maritime 2050 set the goal that “the UK will be a world-leader in the design, manufacture, uptake, and use of maritime autonomy and other innovative ship-board technologies”. With increasing competition from other nations in this space, now is the time for the Government to act to support the safe development, testing, integration and application of new technologies. With this investment, the UK can become global leaders in new maritime technologies.

We believe the themes of autonomy, technology and digitisation and specifically the system integration, demonstration and application of technologies would prove to be invaluable areas of focus for a Maritime 2050 Innovation Hub based in Plymouth.

The Department of International Trade recently announced Devon as a High Potential Opportunity (HPO) for Marine Autonomy to complement similar HPOs for Aquaculture in Dorset and Offshore Renewable Energy in Cornwall. This supporting their 5-year plan in 2019, ‘Promoting the UK’s world-class global maritime offer’ which sets out an ambitious plan for an export strategy for which FOI will enable key targets to be achieved.

**In summary, we need central Government support to co-design and assist with funding to allow the FOI to:**

- Establish a key DfT **Maritime 2050 Innovation Hub** with a key focus on Autonomy & Digitisation
- Incorporate the marine and maritime strategies of the Great South West, Maritime UK SW, HotSW LEP, Dorset LEP and Cornwall & IoS LEP
- Build on five centuries of Maritime and Marine Science heritage in this region
- Showcase the UK’s first **National Marine Park** – Plymouth Sound
- Showcase the UK’s first Marine Enterprise Zone – **Oceansgate**
- Showcase Western Europe’s largest Naval Base – **Devonport** and its planned redevelopment
- Showcase globally leading marine academic research organisations that form the **Plymouth Marine Research Centre**.
- Leverage the highest concentration of marine research scientists in Europe and a critical mass of leading marine technology companies from micro SMEs to large international organisations
- Showcase a globally leading marine technology proving ground – **Smart Sound Plymouth**
- Showcase the **Future Autonomous at Sea Technologies (FAST)** cluster with a current membership of over 30 organisations spanning industry, academia and government.
- Showcase the **Maritime Cyber-SHIP lab** with 18 partners to forensically determine impact of cyber-attacks on ship’s system
- Showcase the University of Plymouth’s **COAST** Basin leading Offshore Renewable Energy (ORE) developmental test facility
- Leverage the University of Plymouth’s lead on **Supergen ORE** - an EPSRC programme of leading UK HEIs in Offshore Renewables
- Showcase the internationally significant **Western Channel Observatory** creating one of the most intensively sampled, studied and understood bodies of water on the planet.
- Showcase the flagship Department of Education's **SW Institute of Technology**, with City College Plymouth as a national destination of choice for marine education that can drive forward innovation in autonomous systems.
- Leverage innovative **hydrogen fuel-based research** with City College Plymouth – unique in the UK for clean propulsion systems
- Create a Department of International Trade sponsored programme of international partners based on strategic focuses – i.e. Future Ocean Institute in Norway, Germany, US, Singapore, etc.
- Support the UK contribution to the **UN Decade of Ocean Science for Sustainable Development (2021-2030)** delivering transformative new technologies to advance environmental outcomes.

We welcome the opportunity to develop the FOI further with senior officials from the below Government departments. This initiative is in line with UK Government priorities, provides immediate and long term

economic benefit to the UK, and an investment in the future of the oceans and development of tomorrow's marine technology.

- Ministry for Homes Communities and Local Government (MHCLG)
- Department for Transport (DfT)
- Department for Business, Energy and Industrial Strategy (BEIS)
- Ministry of Defence (MoD)
- Department for International Trade (DIT)
- UK Hydrographic Office (UKHO)

Please contact Richard May [richard.may@plymouth.gov.uk](mailto:richard.may@plymouth.gov.uk) for further details and follow up.

Letters of Support are shown overleaf



TOWNSVILLE | DARWIN | PERTH

15 September 2020

Dr James Fishwick  
Head of Smart Sound Plymouth  
Plymouth Marine Laboratory  
Plymouth  
PL1 3DH  
United Kingdom

Dear James

**RE: Letter of Support for the proposed Future Ocean Initiative in Plymouth**

As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. The ocean is very fragile and a largely misunderstood environment. We must all make every effort to ensure that any further exploitation is genuinely sustainable.

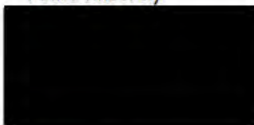
We welcome the formation of the **Future Ocean Initiative** in the South West of the United Kingdom. It makes perfect sense that the UK's Ocean and affiliated maritime research efforts takes place in Plymouth and the South West Region. The city has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for us and the global marine and maritime community.

The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to our objectives and we are keen to support and partner with this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Initiative to mutually strengthen our joint endeavours. Indeed, we recognize that the international ocean, marine and maritime clusters each have specific and different strengths, or specialisations, as well as common standardised competencies. We are excited by this new organised opportunity to work together and combine these component parts into comprehensive solutions for global problems and opportunities.

We, the undersigned wish the Future Ocean Innovation Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us, the Australian Institute of Marine Science, and the Future Ocean Initiative.

Yours sincerely



David Mead  
Executive Director Strategic Development

**Townsville address:** PMB No 3  
Townsville MC, Qld 4810  
Tel: (07) 4753 4444  
Fax: (07) 4772 5852

**Darwin address:** PO Box 41775,  
Casuarina, NT 0811  
Tel: (08) 8920 9240  
Fax: (08) 8920 9222

**Perth address:** Indian Ocean Marine Research Centre  
The University of Western Australia, M096,  
35 Stirling Highway, Crawley WA 6009 Australia  
Tel: (08) 6359 4000 Fax: (08) 6369 4050

[www.aims.gov.au](http://www.aims.gov.au)



September 3rd 2020

Brest, France

**Letter of support**

To whom it may concern,

As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. The ocean is very fragile and a largely misunderstood environment. We must all make every effort to ensure that any further exploitation is genuinely sustainable.

**Campus mondial de la mer** is a robust network of world-class research centres and innovative companies, supported by technology transfer and business support organisations and local authorities, based in Brest (France). It spans disciplines in observing systems for ocean knowledge and security, sustainable use of marine resources and coastal areas, intelligent sensors and monitoring drones, new marine molecules for biotechnology and healthcare applications, amongst others. Its challenge is to become a global leader in ocean research and knowledge-based economy. Its objective is to strengthen connection between students, researchers, businesses and entrepreneurs to create community of talented individuals committed to drive new ideas and opportunities for collaboration. Campus mondial de la mer promotes its community of players at international level to impulse new activities, growth and attractiveness.

We welcome the formation of the **Future Ocean Innovation Hub** in the South West of the United Kingdom. It makes perfect sense that the UK's Ocean and affiliated maritime research efforts takes place in Plymouth and the SW Region. The city, twin city of Brest since 1963, has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for us and the global marine and maritime community.

The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to our objectives and we are keen to support and partner with this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Innovation Hub to mutually strengthen our joint endeavours. Indeed, we recognize that the international ocean, marine and maritime clusters each have specific and different strengths, or specialisations, as well as common standardised competencies. We are excited by this new organised opportunity to work together and combine these component parts into comprehensive solutions for global problems and opportunities.

We, the undersigned wish the Future Ocean Innovation Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us.

Jérémie Bazin  
 Campus mondial de la mer coordinator





September 23, 2020

To Whom It May Concern

**RE: Support for the Establishment of the Future Ocean Institute**

COVE welcomes the formation of an Innovation Hub with the working title of the **Future Ocean Institute** in the South West of the United Kingdom. As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The ocean is increasingly viewed as a key source for food, energy and mineral resources to sustain the growing global population and the importance of genuinely sustainable is recognised.

The city of Plymouth has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. I am encouraged to see the UK's Ocean and affiliated maritime research efforts take place in Plymouth and the SW Region. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for the global marine and maritime community.

The Future Ocean Institute's strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are very well aligned to our objectives and we are keen to support this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Institute hub to mutually strengthen our joint endeavours. COVE, in Halifax, Canada, is an ocean technology business park and innovation hub catalysing technology advances and sustainable growth in the ocean economy. We are currently expanding facilities with an undersea multi-sensor array to readily facilitate in-water evaluation and demonstration of ocean observation and communication technologies. We see this as available to our 70+ ocean business and academic members as well as fertile ground to spur collaborative partnerships with like-minded ocean, marine and maritime clusters.

We wish the Future Ocean Institute Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us in pursuit of comprehensive solutions for global problems and opportunities.

Yours Sincerely,

A solid black rectangular box redacting the signature of Sheila Paterson.

Sheila Paterson  
Chief Operating Officer

Centre for Ocean Ventures and Entrepreneurship (COVE)  
Institute for Ocean Research Enterprise (IORE)  
27 Parker Street, Dartmouth, Nova Scotia, B2Y 4T5



Future Autonomous at Sea Technologies  
FAST Cluster  
Plymouth  
Devon  
UK

Mr Richard May,  
Head of Oceansgate and Marine Investment  
Plymouth City Council  
Plymouth  
Devon  
UK

21<sup>st</sup> September 2020

**Re: Letter of Support – Future Oceans Institute**

We are writing to commit our collective support to the proposed Future Ocean Institute. The Future Autonomous at Sea Technologies (FAST) Cluster was formed in early 2018 arising from the collaboration of a critical mass of industry and academic partners to deliver solutions across the maritime autonomy sector. Based in Plymouth and including members from more than 30 organisations throughout the South West, the cluster is continuing to grow. The members collectively boast a diverse set of specialisms including skills development, surface and sub-surface platform manufacturing, advanced power system design, environmental sensing and control sensor production, system of systems integration and mission delivery. Numerous members of the FAST cluster hold seats on the Maritime Autonomous Systems Regulatory Working Group contributing significant expertise into the future direction of regulation to ensure a responsible maritime autonomous industry in the UK.

The formation of the Future Oceans Institute would be revolutionary to the work of the cluster members offering a key enabler to our industry. The FAST cluster is already actively engaged in Smart Sound Plymouth benefiting from the significant investment around autonomous assets and trials facilities. The recent investment in the advanced communications system including secure 5G and MESH technologies will bring a step change in our ability to develop and validate our technologies.

The aspirations of the Future Ocean Institute are aligned with that of the FAST cluster membership and will drive innovation to propel the UK to the forefront of this sector.

Yours Sincerely,



Dr James Fishwick  
Chair – FAST Cluster  
Signed on behalf of the FAST Cluster



Irish Maritime Development Office  
Three Park Place  
Upper Hatch Street  
Dublin 2  
D02 FX65  
Ireland  
Telephone +353 7 775 3900  
Email [institute.mail@marine.ie](mailto:institute.mail@marine.ie)  
[www.imdo.ie](http://www.imdo.ie)

To whom it may concern,

As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. The ocean is very fragile and a largely misunderstood environment. We must all make every effort to ensure that any further exploitation is genuinely sustainable.

We welcome the formation of the **Future Ocean Innovation Hub** in the South West of the United Kingdom. It makes perfect sense that the UK's Ocean and affiliated maritime research efforts takes place in Plymouth and the SW Region. The city has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for us and the global marine and maritime community.

The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to our objectives and we are keen to support and partner with this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Innovation Hub to mutually strengthen our joint endeavours. Indeed, we recognize that the international ocean, marine and maritime clusters each have specific and different strengths, or specialisations, as well as common standardised competencies. We are excited by this new organised opportunity to work together and combine these component parts into comprehensive solutions for global problems and opportunities.

We, the Irish Maritime Development Office, wish the Future Ocean Innovation Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us.

King Abdullah University of Science and Technology  
Thuwal 23955-6900 Kingdom of Saudi Arabia

T +966 (12) 806 3055  
Professor D.D.C. Bradley, CBE, FRS  
Vice President, Research  
Building 16, Level 4, Room 4206



16 September 2020

Dr James Fishwick,  
Head of Smart Sound Plymouth,  
Plymouth Marine Laboratory,  
Plymouth,  
UK

RE: Letter of Support for the proposed Future Ocean Initiative in Plymouth

Dear James

As many regions around the world are exploring opportunities related to the rapidly growing ocean economy it is increasingly important that centers of global research excellence are connected in mutually beneficial ways. The oceans continue to be viewed as a limitless source of food, energy and minerals needed to sustain the world's growing population. However, it is evident that the impacts of over-fishing and climate change are having a marked impact on the ocean ecosystems, many of which we know relatively little about.

King Abdullah University of Science and Technology (KAUST) strives to be a global leader, recognized for science and engineering excellence and its contribution to delivering effective solutions to national and global challenges. KAUST's proximity to the Red Sea allows our faculty, research staff and students unique access to an amazing and almost untouched resource. In a relatively short period of time (10 years), KAUST's Coastal and Marine Resource Core Lab (CMR), Red Sea Research Center (RSRC) and wider faculty base have made a demonstrable impact to our understanding of the Red Sea's unique biological ecosystems whilst also contributing significantly to the understanding of its distinct geological features.

We welcome the formation of the Future Ocean Initiative in the South West of the United Kingdom. It seems only natural that the UK's Ocean and affiliated maritime research efforts are located in Plymouth and the SW Region. Plymouth is renowned for its strengths in marine science and as a strategic naval and multi-use port. The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to KAUST's objectives and we are keen to support and partner with these important initiatives. KAUST has existing partnerships with the hydrographic survey industry through the Centre of Excellence for Marine Technology and FUGRO. In addition, we are developing underwater communications, sensors, autonomous

vehicles and 'maritechture' technologies. It is also important to note that the Red Sea is central to the Kingdom's Vision 2030 strategy with planned developments in fisheries and tourism coupled with a commitment to protect and preserve, and indeed enhance, its environment.

I am delighted to wish the Future Ocean Innovation Hub every success in securing support from UK Government and we look forward to working closely with you in the years to come.

Yours sincerely,



Professor Donal D. C. Bradley CBE, FRS  
Vice President for Research





Dr James Fishwick  
Head of Smart Sound Plymouth  
Plymouth Marine Laboratory  
Plymouth  
PL1 3DH  
UK

24th September 2020

**Re: Letter of Support – Future Oceans Initiative**

Dear James,

We are writing to give strong support from the Met Office to the formation of the Future Oceans Initiative in the South West of the United Kingdom. This initiative will build upon existing expertise in the South West, and as such this supports the Met Office's interests in further developing skills and levelling-up the local region. Beyond the local region, this initiative will also position the UK at the heart of the future global blue economy, as sustainably as possible.

The Met Office already enjoys fruitful involvement with the Smart Sound and Western Channel Observatory, and we eagerly await the opportunity to begin exploring other areas of collaboration. The Future Ocean strategic focus on bold new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned aligns with the Met Office's strategic plans in environmental intelligence.

We, the undersigned wish the Future Ocean Innovation Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us.

Yours sincerely,



Professor Stephen Belcher,  
Chief Scientist, Met Office



Professor Penelope Endersby,  
Chief Executive, Met Office

FitzRoy Road, Exeter  
Devon, EX1 3PB  
United Kingdom

[enquiries@metoffice.gov.uk](mailto:enquiries@metoffice.gov.uk)  
[www.metoffice.gov.uk](http://www.metoffice.gov.uk)



10<sup>th</sup> September 2020

Letter of Support for the **Future Ocean Initiative**

As founders of the Plymouth Marine Research Centre (PMRC), we are committed to establishing Plymouth as *the* destination of choice for marine research nationally and internationally. With the highest concentration of marine researchers in Europe across our three institutions, namely the University of Plymouth, Plymouth Marine Laboratory, and The Marine Biological Association, we are ideally placed to contribute to a coordinated effort to bring major investment into Plymouth. Hence, we endorse the formation of the **Future Ocean Initiative**.

Critical to the success of the Future Ocean Initiative is to embrace a triple helix approach, bringing Government, Industry and Academia together. As the academic partner in this Initiative, the PMRC will bring over 550 marine researchers, many that are already world-class in their respective fields, working together on a wide variety of oceanographic, technological and maritime applications. Indeed, we rank in the top 10 globally in many of our disciplines and we are in the top 3 globally for wave energy, marine plastics and ocean acidification. Consequently, our researchers bring expertise that will drive marine technology innovation in the region, nationally and internationally. It is a perfect local alliance to ensure success of the Initiative.

We, the undersigned wish the Future Ocean Initiative every success in securing support from the UK Government, and we will look forward to building on the collaborations between us to ensure this investment is a success.

Yours Sincerely

Professor Jerry Roberts



Deputy Vice Chancellor -  
Research and Enterprise  
University of Plymouth

Professor Icarus Allen



Chief Executive

Plymouth Marine Laboratory

Professor William H. Wilson



Director

Marine Biological Association



Mr Ryan Sheldon  
Maritime UK South West

Le 07/09/2020

Mr Sheldon,

As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. The ocean is very fragile and a largely misunderstood environment. We must all make every effort to ensure that any further exploitation is genuinely sustainable.

We welcome the formation of the **Future Ocean Innovation Hub** in the South West of the United Kingdom. It makes perfect sense that the UK's Ocean and affiliated maritime research efforts takes place in Plymouth and the SW Region. The city has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for us and the global marine and maritime community.

The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to our objectives and we are keen to support and partner with this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Innovation Hub to mutually strengthen our joint endeavours. Indeed, we recognize that the international ocean, marine and maritime clusters each have specific and different strengths, or specialisations, as well as common standardised competencies. We are excited by this new organised opportunity to work together and combine these component parts into comprehensive solutions for global problems and opportunities.

We, the undersigned wish the Future Ocean Innovation Hub every success in securing support from UK Government, and we will look forward to continued conversations leading to international cooperation between us,

Sincerely yours

Patrik BARAONA  
Directeur du Pôle Mer Méditerranée



Dr. James Fishwick  
Head of Smart Sound Plymouth  
Plymouth Marine Laboratory  
Plymouth  
PL1 3DH  
UK

Subsea Monitoring Network e.V.  
Schweriner Str. 10/11  
18069 Rostock  
Fon +49 (0) 381-377 19-22  
Fax +49 (0) 381-377 19-19  
management@subseamonitoring.net  
berg@rostock-business.de  
www.subseamonitoring.net  
Chairman: Dr. Ing. Carl Thiede

#### Letter of Support for the proposed Future Ocean Initiative in Plymouth

Dear Mr. Dr. James Fishwick,


As many regions around the world are exploring opportunities related to the rapidly growing ocean economy, it is vital that we all work closely together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. The ocean is very fragile and a largely misunderstood environment. We must all make every effort to ensure that any further exploitation is genuinely sustainable.

We welcome the formation of the Future Ocean Initiative in the South West of the United Kingdom. It makes perfect sense that the UK's Ocean and affiliated maritime research efforts takes place in Plymouth and the SW Region. The city has long been known for its leading strengths in marine science and as a strategic naval and multi-use port. In addition, the well instrumented and soon to be 5G connected Smart Sound environment will be a leading research and testing facility for us and the global marine and maritime community.

The Future Ocean strategic focus on new technology and commercial use for marine autonomy, future smart ports, clean propulsion, aquaculture and ocean observation are well aligned to our objectives and we are keen to support and partner with this important initiative.

We believe there are many ways we can collaborate with the Future Ocean Initiative to mutually strengthen our joint endeavours. Indeed, we recognize that the international ocean, marine and maritime clusters each have specific and different strengths, or specialisations, as well as common standardised competencies. We are excited by this new organised opportunity to work together and combine these component parts into comprehensive solutions for global problems and opportunities.

We, the undersigned wish the Future Ocean Innovation Hub every success in securing support from UK Government and we will look forward to continued conversations leading to international cooperation between Plymouth and Rostock

  
Prof. Uwe Freiherr von Lukas  
Vice Chairman, Subsea Monitoring Network e.V.



**TMA BlueTech**  
4420 Hotel Circle Court, Suite 215  
San Diego, CA 92108  
+1 619 450-4600  
www.tmablutech.org

September 9, 2020

Kevin Forshaw – Director of Industrial and Strategic Partnerships  
Director of Industrial and Strategic Partnerships  
University of Plymouth  
Drake Circus, Plymouth, UK PL4 8AA                      **By e-mail**

**Re:** Letter of Support for the proposed an Marine Technology Institute in Plymouth

Dear Kevin:

**TMA BlueTech (TMA)** is pleased to provide a support letter for the formation of an Innovation Hub with the working title of the Marine Technology Institute in the South West of the UK. Plymouth and the SW region have a long history in marine science and as a strategic naval and multi-use port. It is known globally as leading region for maritime research and BlueTech development. Already well instrumented, further development of the “Smart Sound” will represent an attractive research and testing facility for the global community.

**TMA** is the non-profit organizer of the largest BlueTech (ocean & water tech) cluster in the U.S. and one of the largest in the world. Our Mission Statement is “**Promoting Sustainable, Science-Based Ocean and Water Industries**”. We are a specialized trade association that brings together stakeholders across the Triple Helix – education/academia; industry; and policy makers – to focus on “Promoting BlueTech & Blue Jobs®”. We are co-founders of the **BlueTech Cluster Alliance**, which brings together 10 leading BlueTech clusters from 8 countries, and are helping organize clusters in a number of countries.

To understand and protect our ocean, it is critical that we work together. The oceans are increasingly viewed as a key resource of additional food, energy and mineral resources to sustain the growing global population. We must make every effort to ensure that future exploitation is sustainable.

The Marine Technology Institute’s strategic focus on new technology and commercial use for aquaculture, clean propulsion, marine autonomy, ocean observation and Smart Ports are well aligned to **TMA** objectives and we look forward to collaborating on this important initiative.

We wish the Marine Technology Institute every success in securing support from UK Government and we look forward to continued conversations leading to increased international cooperation between us.

Best regards,



Michael B. Jones – President  
**TMA BlueTech**  
Tel. [Redacted]  
Cell [Redacted]



Admiralty Way, Taunton, Somerset  
TA1 2DN, United Kingdom  
Telephone +44 (0)1823 484444  
customerservices@ukho.gov.uk  
gov.uk/ukho

Dear Mr. [REDACTED]

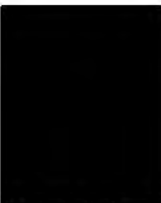
**Re: Future Ocean's Institute Hub**

The United Kingdom Hydrographic Office (UKHO) is a world-leading agency providing the most comprehensive range of marine geospatial information across the globe. This information is supplied to commercial shipping, defence navies and maritime organisations for the primary purpose of safe navigation and global trade efficiency. It also supports other marine activities including economic development, environmental protection, resource exploration and utilisation, scientific research and security and defence.

As the challenges facing the marine environment increase the UKHO is moving to becoming a Marine Geospatial Information Agency; providing for future-facing data and information requirements to support the Blue Economy. With this focus the UKHO is keen to support the Future Ocean's Institute Hub initiative.

The UKHO proposes to offer support to the Future Ocean's Institute Hub, its partners and stakeholders by way of data, technology support, knowledge transfer and expert resources. Whilst the specific extent and structure of such support is yet to be defined the UKHO does support the ambitions of the Programme.

The Future Ocean's Institute Hub proposition provides an opportunity in the development of seabed mapping using new technologies in order to develop new and existing services and applications for marine geospatial data, whilst at the same time contributing to the emerging SW Marine Data sectors growth.



On behalf of  
**Cathrine Armour**  
**Chief Customer Officer**

Find out more about our market-leading  
ADMIRALTY Maritime Data Solutions:  
[admiralty.co.uk](http://admiralty.co.uk)    

## Annex 7: Freeport Letters of Support

OFFICIAL



**Councillor Tudor Evans OBE**  
Leader of Plymouth City Council  
Labour Councillor for Ham Ward

Plymouth City Council  
Council House  
Plymouth PL1 2AA

T 01752 398618  
E [tudor.evans@plymouth.gov.uk](mailto:tudor.evans@plymouth.gov.uk)  
[www.plymouth.gov.uk](http://www.plymouth.gov.uk)

5 February 2021

Dear Freeport Bid Assessment Team

We write to confirm our full support for the Plymouth and South Devon Freezone Bid.

Specifically we confirm that we support and agree to the proposed planning framework, the Joint Local Plan for Plymouth and South West Devon 2014 to 2034 and any Local Development Order we may agree is desirable to accelerate delivery.

The Joint Local Plan (JLP) is part of a ground-breaking strategic planning process for Plymouth and South West Devon which looks ahead to 2034. It sets a shared direction of travel for the long term future of the area, within the context of wider integrated strategic plans.

The Joint Local Plan already sets out specific planning policies in relation to the three main sites identified in our Freeport bid, providing a high degree of certainty for communities, businesses and investors, and a framework for guiding decisions on individual planning applications.

These allocations mean that there is already sufficient detail within the plan to provide clarity to developers, local communities and other interested parties about the nature and scale of development and to ensure the quick and efficient delivery of the Freeport proposal.

We further confirm: we are prepared to commit the income due from business rates on the sites identified in the bid for a term of 25 years. We agree to the proposed mechanism to decide how retained business rates will be reinvested in the Freeport, and; that we will be accountable for any and all public funds allocated to the scheme.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tudor Evans', written over a light blue horizontal line.

Councillor Tudor Evans OBE  
**Leader, Plymouth City Council**



Follaton House, Plymouth Road, Totnes, Devon TQ9 5NE  
Telephone: **(01803) 861234** DX 300050 TOTNES 2  
Fax: (01803) 866151

Please reply to:  
Service:  
Direct Telephone:  
E-Mail: [judy.pearce@swdevon.gov.uk](mailto:judy.pearce@swdevon.gov.uk)

Our Ref: JP/SJ

Mr Anthony Payne  
Strategic Director for Place  
Plymouth City Council  
Ballard House  
West Hoe Road  
Plymouth PL1 3BJ

4 February 2021

Dear Freeport Bid Assessment Team

We write to confirm our full support for the Plymouth and South Devon Freezone Bid.

Specifically we confirm that we support and agree to the proposed planning framework, the Joint Local Plan for Plymouth and South West Devon 2014 to 2034 and any Local Development Order we may agree is desirable to accelerate delivery.

The Joint Local Plan (JLP) is part of a ground-breaking strategic planning process for Plymouth and South West Devon which looks ahead to 2034. It sets a shared direction of travel for the long term future of the area, within the context of wider integrated strategic plans.

The Joint Local Plan already sets out specific planning policies in relation to the three main sites identified in our Freeport bid, providing a high degree of certainty for communities, businesses and investors, and a framework for guiding decisions on individual planning applications.

These allocations mean that there is already sufficient detail within the plan to provide clarity to developers, local communities and other interested parties about the nature and scale of development and to ensure the quick and efficient delivery of the Freeport proposal.

We further confirm: we are prepared to commit the South Hams District Council share of the income received from business rates on the sites identified in the bid for a term of 25 years. We agree to the proposed mechanism and governance arrangements to decide how retained business rates will be reinvested in the Freeport, and; with Plymouth City Council as the lead accountable body for any and all public funds allocated to the scheme.

Yours sincerely

Cllr Judy Pearce  
Leader

[www.southhams.gov.uk](http://www.southhams.gov.uk)

Please be aware that telephone calls to and from the Council may be recorded for training and monitoring purposes



**Conservative Group Leader**  
Leader of the Council  
County Hall  
Topsham Road  
Exeter  
Devon  
EX2 4QD  
Tel: 01392 382285  
Email: john.hart@devon.gov.uk

Mr Anthony Payne  
Strategic Director for Place  
Plymouth City Council  
Ballard House  
West Hoe Road  
Plymouth  
PL1 3BJ

4 February 2021

Dear Anthony

On behalf of Devon County Council, I confirm that we support the transport proposals in the Plymouth and South Devon Freezone Bid.

Plymouth and South Devon are well placed to benefit from a Freeport and we have developed a strong proposal to deliver against all three of the government's objectives. The strategic connectivity of Plymouth and South Devon to the wider economy of the UK and to global markets is vital to levelling up the sub regional economy.

There are proven benefits in supporting economic growth through major transport infrastructure works and we support the realistic sustainable transport choices in the bid.

We look forward to working in partnership to deliver the integrated approach to transport and planning the Freeport that the bid envisages.

Yours sincerely

A handwritten signature in black ink that reads "John Hart" with a stylized flourish at the end. Below the signature is a long, thin horizontal line that tapers at both ends, resembling a signature underline or a decorative stroke.

Councillor John Hart  
Leader, Devon County Council  
Devon County Council

Textphone: 0845 155 1020  
[www.devon.gov.uk](http://www.devon.gov.uk)  
Chief Executive Phil Norrey

OFFICIAL



Richard May  
Head of Oceansgate and Marine Investment  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

**1<sup>st</sup> February 2021**

Dear Richard

**Re: Plymouth Freeport Bid**

Thank you for requesting an endorsement from the Heart of the South West Local Enterprise Partnership (LEP) for the application to HM Government's call for applications to become a Freeport.

Having reviewed your proposal, we are happy to confirm that your project strongly aligns with our response to Covid-19 and the strategic priorities outlined in the [Local Industrial Strategy \(LIS\)](#) and which sets out the distinctive assets and opportunities to tackle our structural challenges and increase prosperity through clean and inclusive growth.

The Plymouth Freeport proposal support our marine and defence clusters, building on our innovation strengths and assets in marine autonomy, clean propulsion and offshore renewable energy. We believe that as a port city with direct deep water access to the English Channel Plymouth is ideally located to drive forward such an initiative.

The bid also delivers to our levelling up ambitions with the potential to bring much needed investment and jobs into the region, particularly in light of the immense effect that Covid-19 has had on the Heart of the South West's economy.

**Creating opportunities in Devon, Plymouth, Somerset and Torbay**

Mobile: 07543 219390 email: david.ralph@heartofswlep.co.uk

Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.  
Registered in England and Wales.

No. 8880546, Registered Office, PO Box 805, Exeter, Devon, EX1 9UU



cont.



We very much hope that your proposal is successful and would be delighted to provide our continued support through membership of the Freeport governing body as it takes shape.

As one of the terms of our endorsement, we require applicants to inform us of the progress of their proposals so that we can monitor the picture across the whole LEP footprint. We also request that applicants ensure that the Partnership's endorsement is cited in all appropriate publicity. Should you require any assistance in this regard, or any further activity relating to your bid, please do not hesitate to ask.

We look forward to hearing about the progress of your project and to a successful outcome.

Yours sincerely



David Ralph  
Chief Executive



Creating opportunities in Devon, Plymouth, Somerset and Torbay

Mobile: 07545 219390 email: david.ralph@heartofswlep.co.uk  
Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.  
Registered in England and Wales.  
No. 1808546, Registered Office, PO Box 1105, Exeter, Devon, EX1 9U1



**Carlton House**  
26 Ellerbeck Court  
Stokesley Business Park  
Stokesley  
North Yorkshire  
TS9 5PT

Tel: +44(0)1642 714570  
Fax: +44(0)1642 713742

4 February 2021

Freeport Bid Assessment Team

Dear Sirs,

**Land at Langage Energy Park, off Holland Road and Kingsway, Langage, Plympton,  
Devon**

We write to confirm our full support to become a customs site within the Plymouth Freeport Bid.

We confirm that we support and agree that we are willing to be included in the bid, are aware of the requirements of relevant authorisation from HMG and are willing to undergo the authorisation process.

Yours faithfully,

A black rectangular box redacting the signature of David Philpot.

David Philpot  
Director and General Counsel



Head Office: 6150 Knights Court  
Solihull Parkway, Birmingham, B37 7WY

T +44 (0)203 958 5400  
brookbanks.com

5<sup>th</sup> February 2021

Plymouth City Council  
Endeavour House  
2 Vivid Approach  
Plymouth  
PL1 4RW

(By email only)

Dear Freeport Bid Assessment Team

**PLYMOUTH FREEPORT BID**

I write on behalf of The Sherford Consortium to confirm our support to become a customs site within the Plymouth Freeport Bid.

We confirm that we support and agree that we are willing to be included in the bid, are aware of the requirements of relevant authorisation from HMG and are willing to undergo the authorisation process.

We understand and agree that the Business Park at Sherford as shaded green in the attached plan '6213 – 018 Proposed Masterplan.pdf' and measuring in total 33.07 acres will be included within the bid as a proposed tax site. We understand and agree that the northern most parcel in the attached plan '6213 – 018 Proposed Masterplan.pdf' measuring some 18.61 acres will also be included in the bid as a proposed customs site. We understand that we will be able to confirm the boundaries of the proposed tax site, within which the customs facility is located, before submitting a detailed business case and our agreement to this is conditional upon this being agreed to our satisfaction.

Yours sincerely



P Boileau  
**Managing Director**

Office  
Email



Enc. '6213 – 018 Proposed Masterplan.pdf'

---

**Master Developer & Development Management**  
**Project Finance, Commercial & Cost Management**  
**Civil Engineering, Transport & Environmental Consultants**

Company Registration No. 03482568



Associated British Ports  
Port Office  
Millbay Docks  
Plymouth  
Devon  
PL1 3EF

Tel: +44 (0)1752 626991  
[www.abports.co.uk](http://www.abports.co.uk)

Richard May  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

2<sup>nd</sup> February 2020

Dear Richard,

Re: Plymouth Freeport Bid

I write to you regarding Plymouth City Council's freeport submission which I offer my support for. Plymouth provides a key role in the South West economy with freight moving over its various wharfs to support business and innovation. The provision of a freeport would help to drive further business in the local area and allow for not only the increase in trade but an increase in the number of jobs supported through ports and manufacturing.

ABP at Plymouth presently offers freight opportunities through Brittany Ferries to France and Spain as well as project cargos over the quay. There is presently additional capacity at the port to increase freight offerings. The port presently offers temporary storage under our wharf approvals and would be happy to participate in any innovative customs technology as well as utilising our access to water to further enhance marine innovation within Plymouth.

As the UK's Ocean City Plymouth has an opportunity to offer enhanced training within the marine and ports industry which this bid would help to enable.

I look forward to working with you and continuing our support for the growth of our marine industry and specifically enhancing offerings to coastal communities reliant on our ports.

Yours sincerely,



Tom Batchelor  
Port Manager – South West

**Babcock International Group**Devonport Royal Dockyard  
Plymouth  
Devon PL1 4SGTel +44 (0)1752 605665  
Fax +44 (0)1752 323587  
www.babcockinternational.com**UNRESTRICTED**

MD-DRDL-(ss)-02

Mr Richard May  
Head of Oceansgate and Marine Investment  
Ballard House  
W Hoe Rd  
Plymouth  
PL1 2AE

03 February 2021

Dear Richard

**Plymouth City Council Freeport Bid**

On behalf of Babcock International, I am pleased to write to you in support of Plymouth City Council's (PCC) bid to secure a Freeport in Plymouth and play our part in securing a strong UK position following the BREXIT transition.

Babcock, the aerospace and defence company, is a leading provider of critical, complex engineering services, which support national defence, save lives and protect communities. It focuses on three highly regulated markets – defence, emergency services and civil nuclear – delivering vital services and managing complex assets in the UK and internationally.

The proposed Freeport within Devonport and Plymouth aligns well with our own aspirations to improve employment, investment and prosperity in our local area as well as our intent to improve the long-term viability and resilience of Devonport Royal Dockyard and its vital role in defence.

Our participation in a local Freeport will help grow and accelerate research and innovation activities already underway with the partners, and crystallise innovation activity for us by expanding our capability to utilise the latest digital technology.

The development of a Maritime Skills Academy that offers complementary learning and development to our local academic providers will ensure the ambitions of Plymouth to operate as a Freeport are realised. Siting the Academy adjacent to technology innovators and other key industries will ensure that formal upskilling will take place in tandem with an individual's ability to increase their capability and confidence in the workplace.

The collective result will be an accelerated time to competence and the associated fiscal benefits to the regional and UK economies. Babcock notes that the proposal for the Maritime Skills Academy aligns with the direction from the recently issued Government White Paper (WP) on Further Education (FE) Reform. It will specifically put the employer at the centre of the system so that education and training aligns to employment gaps that, if filled, will enhance productivity.

As the Maritime Skills Academy will be complementary to the regional academic offering, it will provide technical qualifications that are an alternative to a university degree which also aligns with the intent of the WP. Accessibility to training and learning is also a key tenant of the WP so siting the Academy within the heart of the community and adjacent to industries will ensure further alignment with Government direction.

Devonport Royal Dockyard Ltd  
Registered in England and Wales No. 2077752  
Registered Office: Devonport Royal Dockyard, Plymouth PL1 4SG**UNRESTRICTED**

UNRESTRICTED

Babcock is fully supportive of the Government's intent for FE Reform and would work with Plymouth City Council to understand how this would underpin the Freeport offer and wider prosperity agenda for the region.

We have provided case studies as part of this stage of the submission, to show, in more detail, how we perceive key parts of our work align to the Plymouth Freeport Bid.


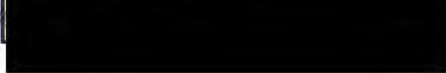
It has been exciting to contribute to the development of your proposal and we are delighted to collaborate with you in this endeavour. If PCC is successful we will undertake a full assessment with our MoD counterparts in next stage of the bid. At this point we will test and clarify our commitment to the future Freeport endeavour.

Internal and external funding will be subject to our own governance and project management processes and progress will be assessed throughout support to the Bid. At this stage, this does not constitute a binding offer of financial support to the Bid.

Overall, we believe this to be a compelling and focused bid, which offers a valuable opportunity to grow our business's potential and secure a prosperous future for our community. We see this work as relevant and complementary to our current work and future aspirations and beneficial to our own company, our customers and end users.

Yours sincerely



**Paul Foster**  
Managing Director DRDL  
Tel:   
E-m: 

UNRESTRICTED

OFFICIAL



2<sup>nd</sup> February 2021

Richard May  
Plymouth City Council  
Plymouth  
PL1 4RW

Dear Richard,

**Letter of support: Freeport applicant**

This is a letter highlighting the responsibility and credibility of Cattewater Harbour Commissioners who are part of the Plymouth Freeport bid. The British Ports Association represents a wide range of ports and terminals, who between them operate over 400 port facilities around the UK. Our membership accounts for 86% of all UK port tonnage and 100% of the 60 million passenger journeys through UK ports each year.

The British Ports Association is an inclusive organisation, representing ports of all sizes and ownership types including local authority, private and trusts. Our principles are based on knowledge sharing to inform best practice throughout the membership of the Association.

Through our elected membership structure our representative board sets our strategy which drives a ports agenda committed to good the regulatory principles surrounding responsible environmental management, compliance with safety regulations and relevant codes of practice and responsible employment. Indeed much of our work involves supporting member ports to understand and meet regulatory requirements as well as sharing ideas and good practice on improving operations. By being part of our network therefore this demonstrates that Cattewater Harbour responsible for the commercial port of Plymouth is committed to the highest standards of governance and legal responsibility.

As a member of the British Ports Association, we attest that this port is a responsible operator and suitable for Freeport status. We are pleased to bear witness to their commitment to collaborative efforts to achieve a successful Freeport; working closely with associated organisations and in support of their local community.

Yours sincerely



Richard Ballantyne  
Chief Executive, British Ports Association

---

*British Ports Association – Speaking for UK Ports*

**a:** 1st Floor, 30 Park Street, London SE1 9EQ **t:** +44 20 7260 1780

**e:** [info@britishports.org.uk](mailto:info@britishports.org.uk) **w:** [www.britishports.org.uk](http://www.britishports.org.uk)



JN/TCL/210202

2<sup>nd</sup> February 2021

Richard May  
Head of Oceansgate and Marine Investment  
Economic Development  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

Dear Richard

**Re: Plymouth Freeport briefing**

We are fully supportive of the City's bid for Freeport status. The reason being that we believe that innovation in shipping is paramount for the future. Plymouth is ideally based as we have both commercial and naval shipping and local skills to be expanded and developed in this area for the benefit of both the South West region and nation as a whole.

The South West region has limited connectivity, although Brittany Ferries has, via Plymouth Port for over 40 years, provided predominantly tourism links directly to France and Spain and vital freight links for import and export. This represents a key international link for the region and regional businesses.

With the development of the Freeport status we can see seasonal schedules being expanded to annual schedules, to have a greater focus on international imports and exports and to support marine innovation and other activities.

Yours sincerely



John Napton  
UK Agency Director

<b>CATTEWATER HARBOUR COMMISSIONERS</b>	<b>PORT OF PLYMOUTH</b> 	<b>PLYMOUTH PILOTAGE SERVICE</b>
2 The Barbican · Plymouth · Devon · PL1 2LR Tel: 01752 665934 Email: <a href="mailto:info@plymouthport.org.uk">info@plymouthport.org.uk</a>	<a href="http://www.plymouthport.org.uk">www.plymouthport.org.uk</a>	2 The Barbican · Plymouth · Devon · PL1 2LR Tel: 01752 662708 Email: <a href="mailto:pilot@plymouthport.org.uk">pilot@plymouthport.org.uk</a>

1<sup>st</sup> February 2021

Mr. Richard May  
Head of Oceansgate and Marine Investment  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

Dear Richard

**Re: Plymouth Freeport Bid**

Thank you for requesting an endorsement from Cattewater Harbour Commissioners, for Plymouth's Freeport Bid. This letter confirms our full support. We have welcomed the opportunity to contribute to the bid as it has been developed and look forward to working with you as it progresses.

The Freeport offers a fantastic opportunity for the Port, the City of Plymouth and the surrounding catchment area. We wish you all the best for a positive outcome.

Yours sincerely






**Richard Allan | Harbour Master | Chief Executive | Cattewater Harbour  
Commissioners**

Port of Plymouth

T:  M:  | E: 

**DEVON & PLYMOUTH  
CHAMBER OF COMMERCE**

Unit 5 Derriford Business Park  
Brest Road  
Plymouth  
PL6 5QZ

 @Chamber\_Devon  
 @devOnchamber  
 Devon & Plymouth Chamber



Richard May  
Head of Oceansgate and Marine Investment  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

**2<sup>nd</sup> February 2021**

Dear Richard

**Re: Plymouth Freeport Bid**

I am delighted to hear of Plymouth's Freeport Bid and write on behalf of Devon & Plymouth Chamber of Commerce to express our full support for the bid.

We are excited about the benefits this will bring to Plymouth and the wider region, particularly for local businesses. We welcome the opportunity this presents to bring new international business into Plymouth, with 75 businesses trading through the Freeport subzones by 2027 and the predicted creation of 990 new jobs.

Devon & Plymouth Chamber of Commerce work closely with international counterparts, Governments and British exporters all over the world and therefore recognise the benefits a Freeport will bring to Plymouth, proactively brokering relevant relationships, to ensure that investments provide opportunities for the growth of companies within the supply chain both within Plymouth and the wider economy.

We look forward to hearing about the progress of the bid and hope for a successful outcome.

Yours sincerely,



**Stuart Elford**  
Chief Executive



Spirent Communications  
Aspen Way  
Paignton  
TQ4 7QR  
www.spirent.com  
3<sup>rd</sup> of February 2021

**Richard May**  
Head of Oceansgate and Marine Investment  
Economic Development  
Plymouth City Council  
Endeavour House,

2 Vivid Approach  
Plymouth  
PL1 4RW

Dear Richard

**Subject: Plymouth Sound**

I am writing to you to confirm that Spirent Communications plc is pleased to provide support for the above proposal led by Oceansgate in relation to the Plymouth Freeport bid.

Spirent Communications are a UK based LSE listed Company that specialises in the development of test solutions across multiple current and emerging market and technology segments (<https://www.spirent.com>). Those segments include High Speed Ethernet, Cyber Security, Automotive and Connected Vehicles, 4G and 5G Mobile Handset/Infrastructure and GNSS Positioning, Location and Timing. Of the global workforce of approximately 1600 employees, 110 are based in Spirent's PT UK Business Unit which is located in Paignton, Devon 25 miles for the Plymouth Freeport location. The PT Business unit has been established for over 30 years and are world leaders in providing RF test solutions for the GNSS Navigation and Timing marketplace.

Spirent's product portfolio enables users to fully test, assure and automate their network and lab environments. Specific to the Plymouth Sound initiative Spirent's portfolio would help to underpin the technology and partner eco system. Promoting innovation by removing barriers to entry for SME's, by accessing multi-tenant laboratory as a service offering. Enabling users to test their solution in a virtualised environment, ensuring that it works as intended before deployment in to a live marine environment. Spirent's test and monitoring solutions will also help manage and monitor the environment to ensure optimum performance and visibility of faults and errors in real time.

Supporting and commercialising an ongoing project of this size would enable Spirent to continue to provide local placement opportunities to university students, and increase the opportunity to hire graduates locally. Spirent already actively works with Plymouth university around careers and recruitment. We hope that the proposal for the Plymouth Freeport bid will be well received by the UK Government and as a result will enable a significant expansion of capability in this field for the benefit of all the collaborators and the UK economy as a whole.

Yours Sincerely

*Dominic O'Connor*

EMEA Sales Director  
Spirent Communications plc

**This letter is a notice of support and does not commit Spirent communications to take on any commitments for providing equipment, services, employment or financial obligation. About Spirent Communications** Spirent Communications (LSE: SPT) is a global leader with deep expertise and decades of experience in testing, assurance, analytics, and security, serving developers, service providers, and enterprise networks. We help bring clarity to increasingly complex technological and business challenges. Spirent's customers have made a promise to their customers to deliver superior performance. Spirent assures that those promises are fulfilled. For more information visit: [www.spirent.com](http://www.spirent.com)



# UNIVERSITY OF PLYMOUTH

Richard May  
Head of Oceansgate and Marine Investment  
Plymouth City Council  
2 Vivid Approach  
Plymouth  
PL1 4RW

**1<sup>st</sup> February 2021**

Dear Richard

**Re: Plymouth Freeport Bid**

Thank you for requesting an endorsement from the University of Plymouth for the Plymouth and South Devon Freeport Bid. This letter confirms our full support. We are pleased to be part of this process and are excited about the opportunities it presents for Plymouth and the surrounding area. We recognise the significant benefits this proposal brings, playing an important part in the UK's post-COVID economic recovery and realising the levelling up agenda.

We are particularly pleased to see marine and defence innovation feature so strongly within the bid which align well with our areas of expertise and priorities.

With £3.2m investment in Cyber SHIP and the University's Maritime Cyber Threats Research Group we are a global leader in cyber security. We have been providing ongoing advice and technical support to the bid team in relation to cyber security required in the customs and tax sites. We are also working closely with the bid team to minimise, anticipate and reduce any future risks.

We have a strong interest in autonomous ships and Smart Ports and how self-directing, secure and intelligent cargo supply chains will function in the future.

As a potential member of the Freeport's Governance Body, the University is pleased to have been able to support the development of the bid and we look forward to a constructive partnership going forward.

We look forward to hearing about the progress of the bid and hope for a successful outcome.



Yours sincerely

**Kevin Forshaw**  
**Director of Industrial and Strategic Partnerships**



Wärtsilä UK Ltd.

Wartsila UK Ltd.  
Spinnaker House  
Waterside Gardens  
Fareham  
Hampshire  
PO15 8SD

**Attn: Richard May**  
Head of Oceansgate & Marine Investment  
Economic Development  
Plymouth City Council  
Endeavour House,  
2 Vivid Approach  
Plymouth  
PL1 4RW

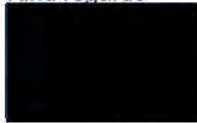
Dear Richard,

Thank you for taking the time to explain the activities you are involved in regarding potential freeport status for Plymouth. As we discussed at the time there are several aspects of your plans as set out that could provide advantages to our business, both commercial and naval support activities, that we would like to further investigate and, should the business environment support, move forward in the process.

As explained whilst we are able to express our interest to proceed, we do need to reserve our position as the pandemic environment we operate in nowadays is turbulent and unpredictable we reserve all rights on a without prejudice basis.

We look forward to discussing further and exploring the potential business benefits the Freeport status could bring to the Plymouth area and consequently to industry partners like Wärtsilä.

Kind regards



Fraser Scott  
Managing Director

Wärtsilä UK Limited  
Spinnaker House  
Waterside Gardens  
Fareham  
Hants  
PO15 8SD

Tel. +44-(0)1489 550050  
Fax. +44-(0)1489 550055

V.A.T. Reg. No. GB 107306311  
Bank: Nordea Bank Plc, London  
Account No GBP. 19904001  
Account No GBP. 19904002

A Subsidiary of Wärtsilä Corporation  
Registered Office:  
Spinnaker House  
Waterside Gardens  
Fareham  
Hants  
PO15 8SD  
Registered Number:- 1004816

## Annex 8: Smart Sound



# SMART SOUND PLYMOUTH

A premier proving area for developing, validating and demonstrating cutting-edge products and services for the marine sector, and is ideally suited for building and

supporting the next generation of advanced marine technologies.

Smart Sound Plymouth boasts over 1000km<sup>2</sup> of authorised and deconflicted waters, ranging from sheltered bays to offshore hostile environments. The area's impressive variety of water depth, sea states and weather conditions are perfectly suited for conducting sea trials. Access to offshore water depths of 75m provides the ideal environment for trials of sub-surface platforms extending to multi-platform mission operations. Smart Sound Plymouth is home to the prestigious Western Channel Observatory where some of the world's leading academics provide an unrivalled understanding of the Smart Sound environment. The unique long-term data set is also complimented by remote sensing and complex ecosystem models.

Smart Sound offers access to state-of-the-art trials infrastructure and land-based resources to facilitate full systems trials, validation and demonstration. These include moored platforms, autonomous surface and sub-surface platforms, research vessels, advanced communications systems and much more. Smart Sound exemplifies a responsible marine industry with all missions undertaken with full authorisations from the port authorities and deconfliction with the MOD and all water users, this is achieved through a significant network of key stakeholders. Several key members of the Smart Sound team hold seats on the Maritime Autonomous Systems Regulatory Working Group (MASRWG), and all missions are conducted in accordance with the groups published codes of practice.

## Recent Smart Sound Plymouth Investments

### Moored Platforms

- £600K investment
- Two major platform upgrades
- Autonomous profiling sensors
- Large power availability
- Plug & Play trials platform



### AutoNaut 5metre

- £500K investment (NERC)
- High speed connectivity
- Sophisticated sensor suite
- pH, pCO<sub>2</sub>, active fluorescence



### C-Worker4 - Cetus

- £400K investment
- Dry and wet sensor bays
- Underwater retractable mast
- Robotic Operating System (ROS)



### ecoSUB Robotics

- £200K investment (NERC)
- 4 x science autonomous subs
- Sophisticated sensor payloads
- Integrated communications



Smart Sound Plymouth is lead by Plymouth Marine Laboratory in collaboration with the University of Plymouth, Plymouth City Council, the Marine Biological Association and the University of Exeter. Industry steer and engagement is facilitated through the Future Autonomous at Sea Technologies (FAST) cluster.



## Future Autonomous at Sea Technologies (FAST) Cluster



The FAST cluster currently has over thirty members, which includes a strong industry representation. The cluster demonstrates the optimal triple-helix structure with industry, academia and government working closely together to deliver advanced marine innovation. The FAST cluster acts as the steering group for Smart Sound and is built on a strong collaborative ethos.

## Smart Sound Connect



Smart Sound Connect is a £1.8M investment to deliver an advanced high-speed communications network across the Smart Sound range. An advanced high bandwidth, low latency 5G private marine

network extends over 1 nautical mile south of Plymouth Sound and covers the port of Plymouth. Vodafone and Nokia have been contracted to deliver this advanced network, which will be 'live' from April 2021. Communications across the offshore expanses of Smart Sound will be provided by a high-speed marine IP mesh network, reaching over 20 miles south of Plymouth Sound and covering the deeper more hostile environment. This integrated advanced communications network provides a unique capability to the UK. Use of the network is free of charge and we encourage you to get in touch to discuss your use case and how it can be facilitated.

## Smart Sound Digital

Maximising on the numerous sensor nodes and high-speed communications network, Smart Sound Digital seeks to build a digital twin of Smart Sound. A significant consortium of leading organisations and industry partners are collaborating to deliver this solution, many of whom are represented on the MAS Regulatory Working Group. Building a digital twin/simulation of the natural environment has considerable use cases and Smart Sound Digital will focus on many of these including, Smart Ports, Smart Cities, port management and mainly marine autonomy. The consortium will use the digital twin to build robust mechanisms for the certification and regulation of autonomous

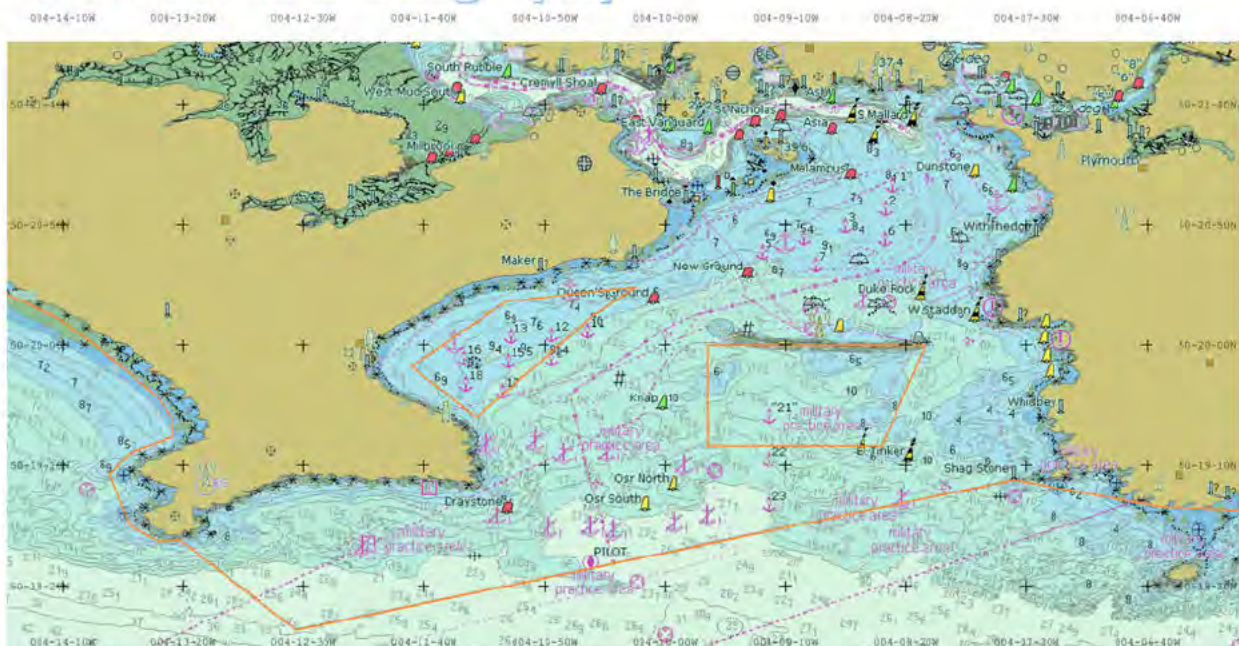


vessels. The sensor arrays around the port will be developed to capture 'live' information from multiple sources augmented by Artificial Intelligence to deliver a complete situational awareness to vessels operating across the network. Utilising the 5G network to develop vessel integration and advanced port management solutions for busy ports operating with both autonomous and crewed vessels.

Smart Sound Plymouth is building facilities and expertise that offers a unique location in the UK for the development, validation and proving of advanced marine technologies. Smart Sound is accessible to all and exists to assist industry, academia, regulators, defence and certification authorities to innovate and deliver the solutions required to advance marine autonomy, maritime technologies and digitization of the marine environment.



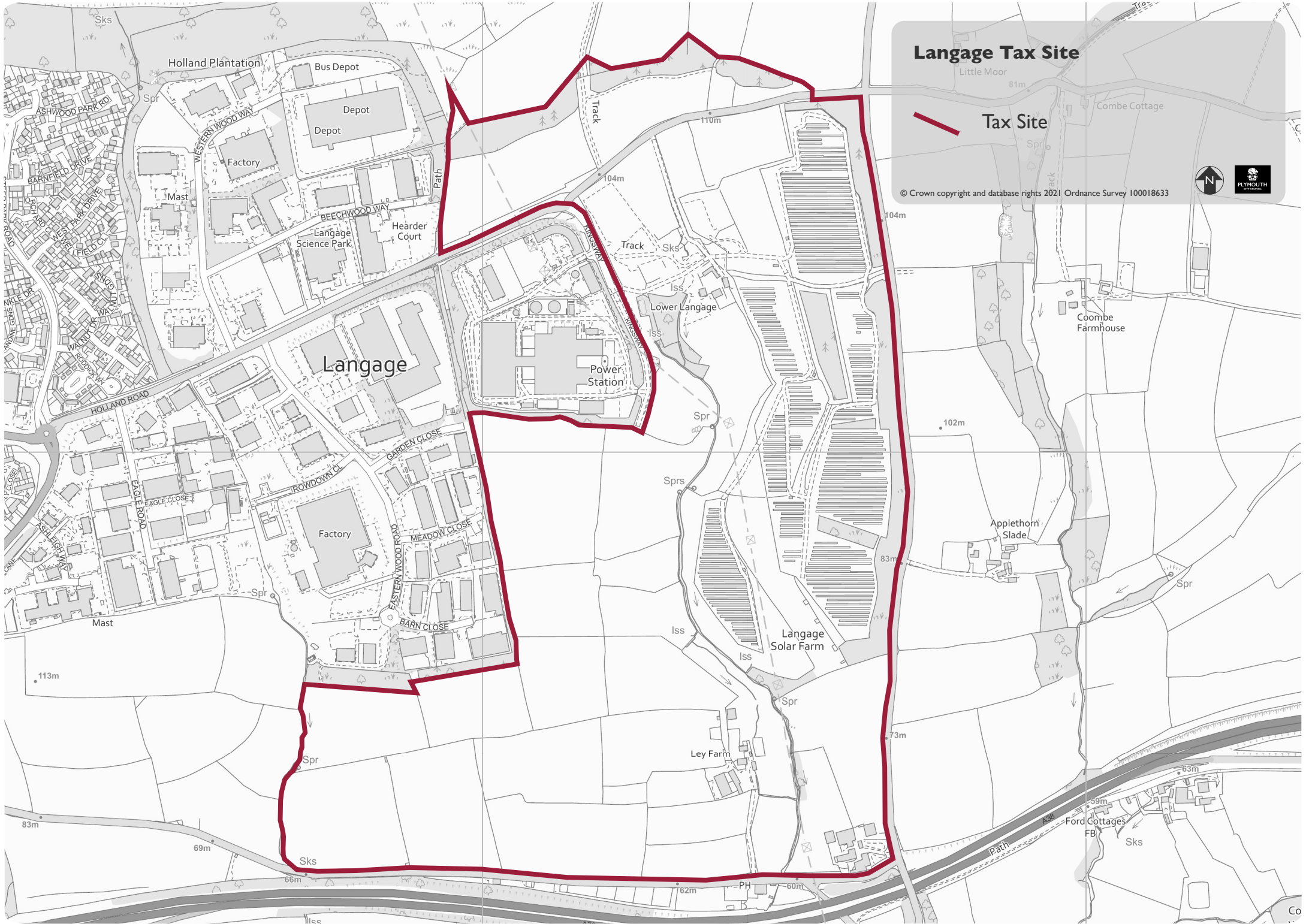
## Smart Sound Geography



Government Objectives		
NATIONAL HUBS FOR GLOBAL TRADE AND INVESTMENT	PROMOTE REGENERATION AND JOB CREATION	CREATE HOTBEDS FOR INNOVATION
<b>Measurable Outcomes</b>		
<ul style="list-style-type: none"> <li>• Increase in trade throughput</li> <li>• Increase in value of exports</li> <li>• Increase in investment</li> <li>• Increase in FDI</li> <li>• Improved regional connectivity</li> <li>• Net zero Freeport achieved by 2030</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in employment</li> <li>• Increase in average F/T earnings (from manufacturing and sector specific growth)</li> <li>• Increase in economic specialisation (marine/autonomy/defence cluster)</li> <li>• Decrease in deprivation</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in R&amp;D spend</li> <li>• Boosting GVA through increasing high value economic activity</li> <li>• Increase in productivity</li> <li>• Contribution to net zero research and innovation agendas</li> </ul>
<b>Indicative Outputs</b>		
<ul style="list-style-type: none"> <li>• 60% increase in Tonnage through Port of Plymouth overall with an enrichment in value</li> <li>• New RORO cargo exchange service for EU to Ireland routes</li> <li>• 75 businesses trading through the Freeport subzones by 2027</li> <li>• (of which) 10 FDI attracted by 2030 bringing £100m investment</li> <li>• 100 businesses expanded within the wider Freeport boundary</li> </ul>	<ul style="list-style-type: none"> <li>• 108 hectares of underutilised land released for further development</li> <li>• Of which, 36 hectares are able to be brought forward immediately with planning consent already in place</li> <li>• 30 hectares of underutilised land released for further development</li> <li>• 1,090 new jobs created (450 at South yard, 400 at Langleague, 200 at Sherford and 40 new at Port of Plymouth)</li> <li>• 400 of which will be high value jobs</li> <li>• 600 people upskilled (through aligned activity)</li> <li>• 50 new apprenticeships and 10 internships every year by 2027</li> <li>• Local Marine Skills Academy established</li> </ul>	<p>With a strong zero carbon focus:</p> <ul style="list-style-type: none"> <li>• 2000 SqM innovation space</li> <li>• £20M Private R&amp;D investment per year 2027 rising 5% annually</li> <li>• 40 business/HEI collaborations annually from 2022</li> <li>• 5 new products developed annually from 2024</li> <li>• 10 new patents cumulative over 2027 to 2037 (increasing from 1.36-2)</li> <li>• Host up to 5 PhD projects at any one time from 2024</li> <li>• 200 new jobs every 10 yrs as maturing business leave Oceansgate and replaced by new</li> </ul>
<b>Indicative Activities</b>		
<ol style="list-style-type: none"> <li>1. <b>Reconceptualise the port offer for cargo enrichment and maximum throughput</b> - increasing the flow of vessels and freight through our ports by: a) using sites in the subzone for high value/low volume bonded warehousing to increase holding area and throughput as well as for light manufacturing and b) offering feeder services between EU mainland and Ireland and a 'stop-off point' for vessels to avoid the UK land bridge, supporting short sea shipping imperatives and net zero as well as benefitting other ports</li> <li>2. <b>Global strategic marketing of the customs and tax sites to attract investment</b> - focusing on expanding Marine and Defence clusters by offering customs/tax benefits and marketing sites to attract new related supply chain businesses into the Freeport area, including on-shoring FDI able to leverage/ contribute to innovation cluster and testing/trialling facilities. Also specialise in Project Cargo for ship work (supporting national ship building agenda) as well as defence, mining, marine science, health tech, offshore renewable energy, food processing and others key to SW UK projects. Leverage Plymouth's existing FDI account management to support this activity</li> <li>3. <b>Land remediation (capacity expansion sites)</b> – undertaking the necessary land assembly, site remediation, and transport links to deliver the tax and customs sites within the Freeport subzone, accelerating these sites to overcome the market failures associated with high development costs</li> <li>4. <b>Supporting infrastructure</b> - a) to create a new Langleague Link Road to A38 for essential access; and b) to remediate the Octagon Roundabout in Plymouth City near Millbay Port to improve access for larger articulated HGVs</li> <li>5. <b>Land remediation (innovation hotbed site)</b> - to progress the new Oceansgate Innovation Centre as a major collaboration hub for marine and defence innovation, contributing to carbon zero. This will include land remediation and development of an essential car park for increased jobs and visitor numbers to the innovation hub</li> <li>6. <b>Research &amp; Innovation Strategy</b> - focusing on port-specific and port-related innovation, including Smart Ports &amp; Shipping, trialling and testing for port deregulation etc, leading to new market opportunities. This will build on the work of the MBTC to expand opportunities in marine autonomy, clean propulsion, offshore renewable energy etc (including offshore wind) with a strong carbon zero focus. Utilise identified assets/space within the ports for testing and trialling, also making use of Freeport regulatory innovation levers</li> <li>7. <b>Employment and Skills Strategy</b> - covering all levels from entry to higher level skills including STEM with clear identified local pathways for training including internships and apprenticeships, linked to the city's inclusive growth agenda (also reflecting Plymouth's covid-19 recovery plan and existing skills gaps e.g. port operation). As part of this create a local Marine Skills Academy responding to identified need</li> </ol>		
<b>Local Area Characteristics</b>	<b>Baseline Key Assets</b>	<b>Vulnerabilities</b>
<ul style="list-style-type: none"> <li>• Britain's Oceans City. Located on the border of Devon and Cornwall within the Heart of the South West LEP area</li> <li>• Has a natural harbour and sheltered water with direct deep water access to the English Channel ideal for accessing European and Global markets as well as offshore wind sites</li> <li>• Home to one of the largest naval bases in Europe with unique nuclear defence capabilities and associated opportunities (Devonport Dockyard), accounting for 14.1% of the city's GVA. Potential to rise to £6.9bn GVA by 2040 through increasing bedrock capacity and investing in innovation</li> <li>• Benefits from the Oceansgate Enterprise Zone, supporting a significant marine cluster (the UK's first marine enterprise zone)</li> <li>• Has a high percentage of employment in the marine sector where productivity is 7% above the city average. Plymouth accounts for 9.2% of England's marine industry</li> <li>• Is supported by a strong manufacturing sector (12% of employment versus 8.3% nationally), including a number of foreign owned companies with the potential for growth and contribution to the levelling up agenda</li> <li>• The Port of Plymouth has a range of facilities at Millbay and Cattedown with some established freight routes and scope for growth but with some space constraints at the ports (to be relieved by Freeport sub-zones)</li> <li>• Has the opportunity to make use of underutilised land elsewhere in the city and on key access roads to deliver the Freeport sub-zones</li> <li>• Is supported by a major arterial road (A38 Devon Expressway) linking up to the M5 which is comparatively uncongested</li> </ul>	<ul style="list-style-type: none"> <li>• Home to world class businesses and research assets in marine autonomy and marine renewables with civil and defence applications making a strong contribution to net zero contributions</li> <li>• Smart Sound Plymouth offers a unique capability providing the UK's first 5G connected ocean trialling area and well instrumented trialling area</li> <li>• Benefits from significant private sector investment in innovation</li> <li>• Has an established innovation focused body, the MBTC with a clear understanding of the local marine/defence innovation ecosystem and support from key partners</li> <li>• Part of the DIT's High Potential Opportunity for Marine Autonomy</li> <li>• Benefits from a proactive knowledge base including the University of Plymouth and City College Plymouth with a strong commitment to skills development, innovation and maximising R&amp;D opportunities</li> <li>• Unique marine autonomy degree courses already developed by local partners</li> <li>• Can build on a successful inward investment management function (landed over £90 m in previous year) and HPO</li> <li>• Freeport proposals have the backing of key local businesses with key anchors business already identified</li> <li>• The proposal also has strong alignment with wider regional priorities and neighbouring LEPs</li> </ul>	<ul style="list-style-type: none"> <li>• Plymouth has an identified need to level up/create jobs</li> <li>• GVA per filled job in Plymouth has consistently been significantly below UK average, at 75.5% of the UK average in 2014, rising to 77.9% in 2018</li> <li>• The ILO unemployment rate in Plymouth was higher than the UK average in June 2020 at 4.9% compared to 4% for the UK. The pattern has fluctuated over last 5 years but the claimant count data shows that unemployment doubled between Nov 2019 and Nov 2020</li> <li>• The city has lower than average jobs density (0.81 compared with 0.87 in GB) and the number of enterprises in Plymouth has only increased by 4% in the last five years compared to 8% for the UK</li> <li>• It has lower than average F/T earnings by residence (at £507 compared with £587.1 in GB)</li> <li>• The average NVQ L 4+ qualifications is also lower (at 31% compared with 40.3% in GB)</li> <li>• Plymouth is within the 20% most deprived local authority districts in England on the average score summary measure and has 28 LSOAs in the most deprived 10% in England. Two wards (St Peter &amp; the Waterfront and Devonport) have LSOAs in worst 1%</li> <li>• R&amp;D expenditure in SW equates to £1.835m, 7.1% of UK total, despite the region having 8.6% of enterprises</li> <li>• The Plymouth patent application stands at 1.36 per 100k population</li> <li>• Plymouth is vulnerable to a number of Brexit risks</li> <li>• £1.12bn exports (goods and services) in 2017/18 (20.6% of GVA v UK 32.4% of GVA)</li> </ul>



ID	Task Name	Start	Finish	2021												2022												2023								
				Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
1	<b>PHASE 1: PRE-ANNOUNCEMENT</b>	08/02/2021	01/06/2021	▶																																
2	Continue discussions with site owners and commercial partners	08/02/2021	31/05/2021	▶																																
3	Key documents for Governance Body prepared	08/02/2021	31/05/2021	▶																																
4	High level site scoping and cost development	08/02/2021	31/05/2021	▶																																
5	Consultancy team(s) assembled (Customs and business case)	08/02/2021	31/05/2021	▶																																
6	Successful Freeport Bidders announced	01/04/2021	01/06/2021	▶																																
7	<b>PHASE 2: BUSINESS PLANNING &amp; GOVERNANCE SET-UP</b>	02/06/2021	01/04/2022	▶																																
8	Set-up Shadow Freeport Governance Body with regular meetings	02/06/2021	01/04/2022	▶																																
9	Risk management processes set-up and integrated	02/06/2021	02/08/2021	▶																																
10	Detailed scoping and cost development	02/06/2021	03/08/2021	▶																																
11	Work with HMT and HMRC to review and confirm boundaries of sites	02/06/2021	31/08/2021	▶																																
12	Planning and other permissions obtained	02/06/2021	23/11/2021	▶																																
13	Negotiation of agreements with site owners & partners	02/06/2021	23/12/2021	▶																																
14	Green Book compliant Business Case Development	02/06/2021	31/01/2022	▶																																
15	Preparation of Outline Business Case	02/06/2021	31/08/2021	▶																																
16	Assessment of outline business case	01/10/2021	01/12/2021	▶																																
17	Development of Full Business Case	02/11/2021	23/12/2021	▶																																
18	Assurance of Full Business Case	24/12/2021	31/01/2022	▶																																
19	Section 31 Grant Issued	01/02/2022	02/02/2022	▶																																
20	Legal agreements signed with key partners	03/02/2022	04/02/2022	▶																																
21	<b>PHASE 3: MOBILISATION</b>	03/02/2022	12/06/2023	▶																																
22	Freeport Governance Body formally constituted	03/02/2022	09/02/2022	▶																																
23	Recruit CEO, Finance, Communication and R&I managers	10/02/2022	06/05/2022	▶																																
24	Monitoring, Evaluation and Reporting Systems set up (including to HMRC)	10/02/2022	13/05/2022	▶																																
25	Displacement & substitution approach developed (inc. Gateway)	09/05/2022	07/07/2022	▶																																
26	PR and Digital agencies procured to promote Freeport	09/05/2022	07/07/2022	▶																																
27	Customs Operator and Security Operators Procured	09/05/2022	07/07/2022	▶																																
28	Secure HMRC authorisation for customs sites	08/07/2022	12/06/2023	▶																																
29	Initiate Research and Innovation programme development	09/05/2022	08/07/2022	▶																																
30	Initiate Employment & Skills Programme (inc. skills academy)	09/05/2022	08/07/2022	▶																																
31	Procure design and build contracts	09/05/2022	09/08/2022	▶																																
32	<b>PHASE 4: CONSTRUCTION</b>	10/08/2022	12/05/2023	▶																																
33	Site works Langage	10/08/2022	12/05/2023	▶																																
34	Seed funded works	10/08/2022	09/02/2023	▶																																
35	Development works	10/11/2022	12/05/2023	▶																																
36	Site works South Yard	10/08/2022	12/05/2023	▶																																
37	Seed Funded works	10/08/2022	09/02/2023	▶																																
38	Development works	10/11/2022	12/05/2023	▶																																
39	Site Works Sherford	10/08/2022	12/05/2023	▶																																
40	Seed funded works	10/08/2022	09/02/2023	▶																																
41	Development works	10/11/2022	12/05/2023	▶																																
42	Transport Infrastructure	10/08/2022	09/02/2023	▶																																
43	Octagon Roundabout	10/08/2022	09/02/2023	▶																																
44	Deep Lane Junction Improvement	10/08/2022	09/02/2023	▶																																
45	<b>PHASES 5: OPERATION AND MONITORING</b>	08/07/2022	01/11/2024	▶																																
46	Marketing, PR and promotion activity to promote sites to investors	08/07/2022	01/11/2024	▶																																
47	Recruitment of customs and security manager	17/01/2023	17/03/2023	▶																																
48	Work with security operator to put in place security systems	20/03/2023	29/09/2023	▶																																
49	Deliver employment and skills activity	13/03/2023	10/11/2023	▶																																
50	Deliver research and innovation activity	13/03/2023	13/11/2023	▶																																
51	First Occupants on site	01/06/2023	31/08/2023	▶																																
52	Business monitoring starts	01/09/2023	09/05/2024	▶																																



# Langage Tax Site

Little Moor 81m

Tax Site

© Crown copyright and database rights 2021 Ordnance Survey 100018633



Holland Plantation

Bus Depot

Depot

Depot

Factory

BEECHWOOD WAY

Langage Science Park

Header Court

Langage

Power Station

Lower Langage

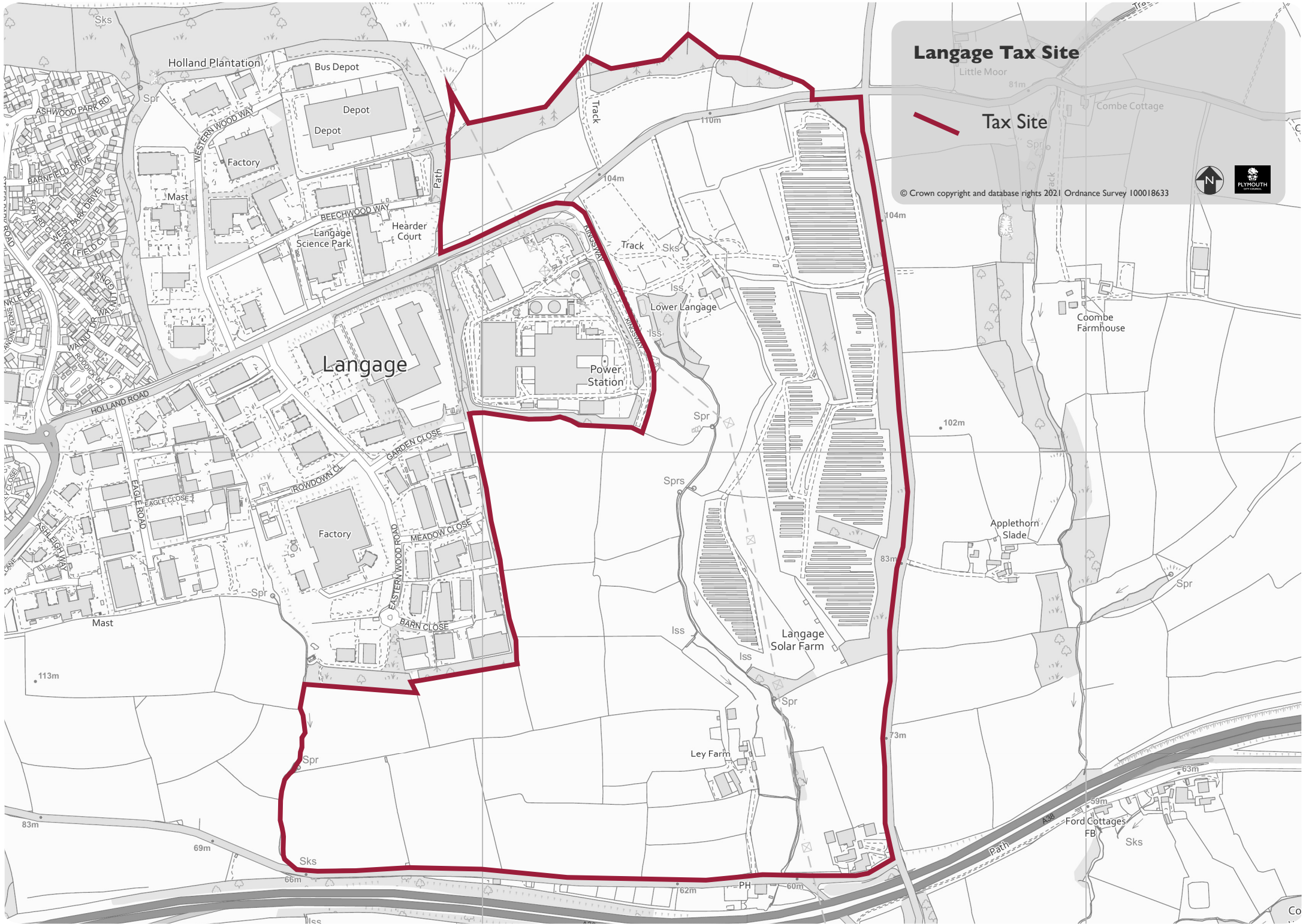
Coombe Farmhouse

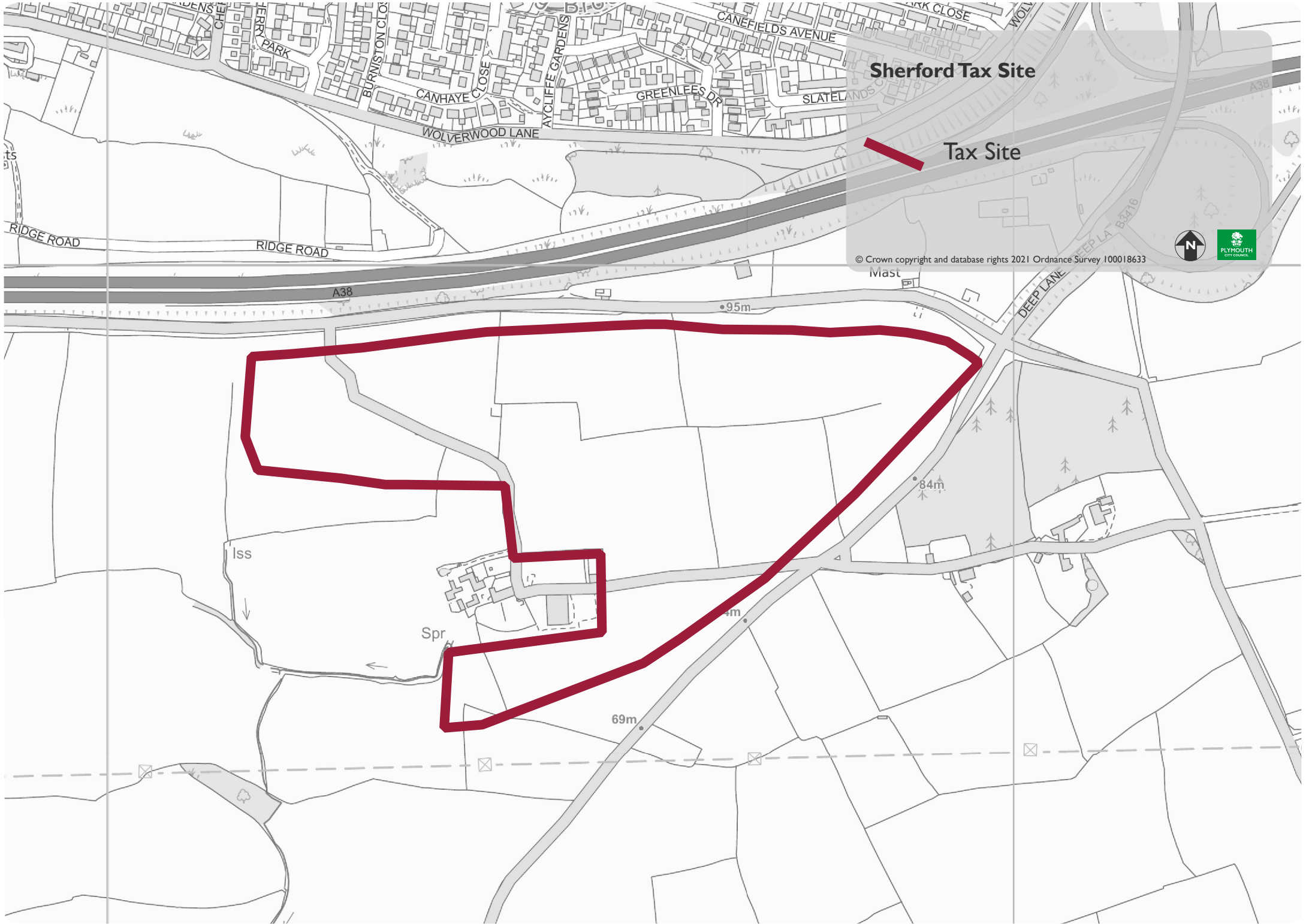
Applethorn Slade

Langage Solar Farm

Ley Farm

Ford Cottages



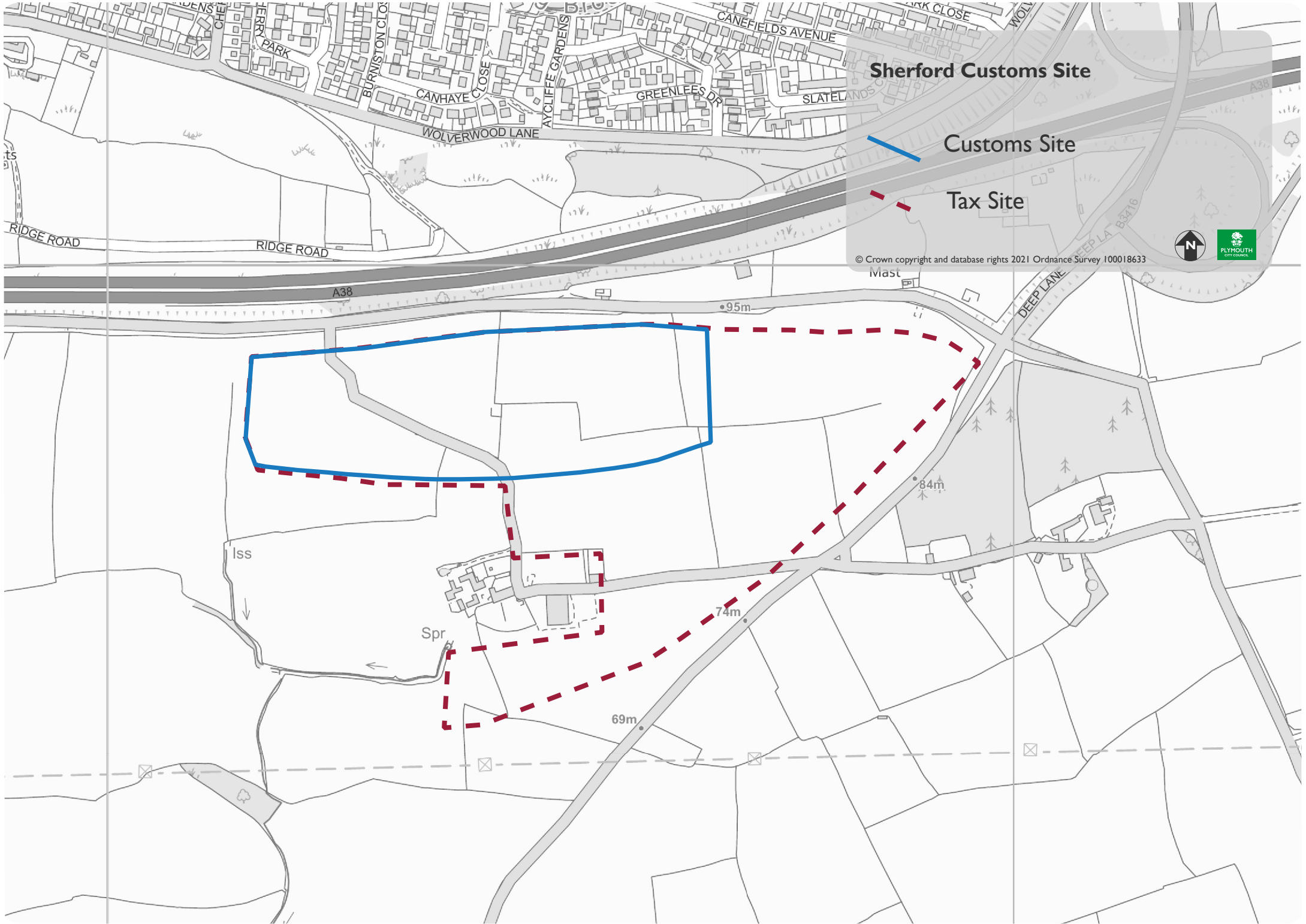


Sherford Tax Site

Tax Site

© Crown copyright and database rights 2021 Ordnance Survey 100018633





Sherford Customs Site

Customs Site

Tax Site

© Crown copyright and database rights 2021 Ordnance Survey 100018633

