

# Plymouth and South Devon Freeport Annual Plan

Covering the period from 1st April 2024 to 31st March 2025



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## Annual Plan – 2024-2025

The Plymouth and South Devon (PASD) Freeport aims to build a more resilient, sustainable and productive future by attracting new high value investment within the following target sectors: advanced manufacturing and engineering, marine, defence, space, and technologies that move the economy towards net zero:

- Creating a national hub for Trade & Investment;
- Promoting regeneration and job creation; and,
- Creating a hotbed for innovation.

With £25m of seed capital funding ring-fenced for PASD Freeport over a five-year period to support an infrastructure programme, Freeport designation also enables the billing authorities to retain the rates from eligible businesses located within the Freeport sites to further Freeport objectives.

The purpose of the Annual Plan is to set out the company's business objectives and financial plan to deliver the Plymouth and South Devon (PASD) Freeport strategy and vision. Proposed by the Freeport Company, the Annual Plan and budget is agreed and signed off by the Members Steering Group in accordance with their reserved matters and approved by the Board of Directors.

Our first Annual Plan covered the period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 - the Freeport's first full year of operation - and focused substantially on mobilisation. Whilst considerable progress was made towards year one objectives, there were some delays, particularly relating to the capital programme. This resulted from unforeseen changes in the funding landscape coupled with the need for more detailed work to be undertaken by project sponsors to pass technical appraisal and have their seed funding released.

Additionally, at the Autumn Statement 2023, the government announced the extension of the window to claim tax reliefs in English Freeports from five to ten years (until September 2031), conditional on agreement of delivery plans with each Freeport. This is set within the context of a Freeports Delivery Roadmap outlining the steps the government will take to ensure Freeports are best able to capitalise on the opportunity the extension presents and the PASD Freeport team made their submission in February 2024.

This second Annual Plan, covering the period from 1st April 2024 to 31st March 2025, aligns with and covers the first year of implementing the new delivery plan.

Objectives are:

- 1. Creating investible sites** - reframing delivery to 2031 in line with the Tax Extension Delivery Plan and accelerating the capital programme.
- 2. Reviewing and Implementing the Tax Site Management Policy** - proactively managing each tax site to maximise investment that is additional, supports clustering and fulfils the policy objectives.
- 3. Landing Investment** - developing our sales and account management approach, focusing on anchor tenants and their supply chains along with new business.
- 4. Creating clusters and local economic growth** - driving engagement activities and supportive programmes to strengthen the investment proposition.
- 5. Ensuring Resilient Operations and Finance** - embedding good governance and a sustainable financial model.

## Year Two Objectives in More Detail

### 1. Creating Investible Sites

#### **Reframing delivery to 2031 in line with the Tax Extension Delivery Plan and accelerating the capital programme**

- a. Activating the Delivery Plan (from April 2024), including:
  - i. Continuing to lobby government and working with LEPL to mitigate the constrained power supply at Langage (on-going).
  - ii. Agreeing a strategy for █████ ownership (September 2024).
- b. Accelerating seed capital delivery, including:
  - i. Working with the Accountable Body and with project sponsors to bring forward remaining business cases for technical appraisal to achieve spend (September 2024).
  - ii. Supporting SHDC with the Sherford project and back-up masterplan (on-going).
- c. Mobilising the wider (non-seed funded) capital programme, including:
  - i. Working with LEPL to help bring forward their plots (March 2025).
  - ii. Re-energising developer interest in █████ (September 2024).
- d. Bringing forward customs site(s):
  - i. Providing support for all business referrals where a confirmed commitment to establish a customs site is secured (on-going).
- e. Actively monitoring and mitigating risk across delivery (on-going through the monthly Security and Compliance sub-Committee, escalating to Freeport Board as required) (on-going).

Accountability: CEO

Responsibility: Operations Director working with the Business Growth and Investment Director

Aligned Teams: Accountable Body, SHDC, Urban Fringe Team, LEPL, SSO Logistics and HMRC

### 2. Reviewing and Implementing the Tax Site Management Policy

#### **Proactively managing each tax site to maximise investment that is additional, supports clustering and fulfils the policy objectives**

- a. Refreshing the Gateway Policy and ensuring that partners have a shared understanding of its application. A change request has been submitted to Government to vary the wording, awaiting a response (July 2024).
- b. Refreshing Compliance Agreements with landowners, holding them to account for commitments (September 2024).
- c. Refreshing the Retained Business Rates Policy to ensure landowners and billing authorities understand the importance of rates creation and commit to the new extended tax incentive timeframes (September 2024).

Accountability: CEO

Responsibility: Operations Director

Aligned Teams: LA Inward Investment Teams (Gateway), Landowners (Compliance Agreements) and Billing Authorities/LAs

### 3. Landing Investment

#### Developing our sales and account management approach, focusing on anchor tenants and their supply chains along with new business

- a. Developing and implementing Growth Plans for anchor tenants and their supply chains to maximise the benefits of tax and customs incentives (September 2024):
  - i. ██████ – as contractor prime with multiple Freeport investment opportunities.
  - ii. ██████ - as mature manufacturer with significant skills and supply chain strengthening requirements.
  - iii. ██████ - as landowner with end-use investment.
  - iv. ██████ - as fast-growing SME investor.
  - v. Other fledging tenant investors.
- b. Working through options for South Yard with MOD including:
  - i. ██████ (by May 2024).
  - ii. Initiating support for MOD estate management plan (July 2024).
- c. Securing new Tax Site tenants:
  - i. Ensuring sufficient pre-let agreements to trigger development of LEPL's plot 3 (from now) and plot 2 (following planning permission – December 2024).
  - ii. Securing pre-lets for all four Beaumont Way units (March 2025).
  - iii. Securing pre-lets for the South Yard innovation barns (March 2025).

Accountability: CEO

Responsibility: Business Growth and Investment Director

Aligned Teams: MOD, LA Inward Investment Teams, anchor tenants

### 4. Creating clusters and local economic growth

#### Driving engagement activities and supportive programmes to strengthen the investment proposition

- a. Reviewing the role and membership of the advisory boards and sub-committees, setting new programmes of work to drive delivery of the supportive programmes, including:
  - i. **Trade & Investment** – refreshing the investment proposition and driving the pipeline of inquiries for our sector specialisms (in line with the above):
    - Targeting events with DBT - PASD Freeport will focus on domestic events and will use DBT for overseas presence (end of April 2024).
    - Briefing DBT sector teams and overseas posts (June 2024).
    - Using DBT Knowledge Lab to identify specific markets and companies which the PASD Freeport offer is especially relevant to (March 2025).
  - ii. **Innovation** - developing our added-value innovation proposition to include the customer journey and targeted domestic/international partnerships including:
    - Finalising our innovation audit and developing a “front door” to showcase this to potential investors (September 2024).
    - Developing an innovation service to support prospective research businesses in marine, defence and space to navigate the ecosystem and establish research partnerships (July 2024).
    - Agreeing a minimum of two overseas MOUs which support increased innovation and investment through PASD Freeport (March 2025).
    - Working with Innovate UK and others to secure funding (on-going).
  - iii. **Skills** – focused on ensuring a pipeline of individuals are ready to fill vacancies by creating bespoke training packages working with employers. Priorities are:

- Working with employers including [REDACTED] and [REDACTED] to offer Freeport specific L3 – L7 skills bootcamps to bolster workforce pipeline (December 2024).
  - Working with Devon and Cornwall Training Provider Network (DCTPN) to encourage smaller providers to engage with offering skills bootcamps training (end of April 2024).
  - Expanding sector-based work academies with [REDACTED] to bolster workforce and provide opportunities to individuals supported by DWP (December 2024)
  - Bringing together women’s networking groups and women already working within the Freeport to assist businesses on how to better encourage more women into these positions by promoting better working conditions (September 2024).
  - Engaging with Floating Offshore wind developers to explore opportunities for collaboration, reducing competition for the workforce (September 2024).
  - Aligning Freeport skills academy and Levelling up 3 funds (on-going).
- b. Delivering our Net Zero Action plan and utilising a green clean gateway policy as a lever for investment. The Net Zero lead and Freeport team will act as a supporting champion, agitator and sponsor for the delivery of Net Zero across the Freeport sites, by supporting businesses to apply technological and Net Zero operational transformation across their business activities and supply chains. Priorities for this year are:
- i. Working with the Innovation Lead/ Advisory board to scale up innovation in technologies that facilitate the transition to Net Zero (on-going).
  - ii. Working with the Skills Lead/ Advisory board to drive green skills (on-going).
  - iii. Working with tenants on Net Zero plans (on-going). Monitoring the embodied and operational carbon emissions of the three tax sites and reporting on any variation to the baseline assessment (on-going).
- c. Refocusing the communications plan and setting up regular stakeholder engagement events with monthly management reporting including:
- i. Increasing social media presence and engagement through the year.
  - ii. Refreshing the investor-facing webpage (June 2024).
  - iii. Launching the PASD Freeport bi-monthly newsletter (April 2024).
  - iv. Supporting community engagement with local partners to ensure the Freeport opportunity is understood – minimum of two events through the year (on-going).

Accountability: CEO

Responsibility: Operations Director and Business Growth and Investment Director (shared)

Aligned Teams: Advisory Boards, Skills Lead, Net Zero Lead, Innovation Lead, LA Inward Investment Teams, Landowners, businesses and capital project leads, LA Comms Teams

## 5. Ensuring Resilient Operations and Finance

### Embedding Good Governance

- a. Optimising team structures to maximise trade and investment growth (by June 2024 and then on-going) including:
- i. Setting team objectives (April 2024).
  - ii. Reviewing Board performance and adding strategically aligned Directors (June 2024).
  - iii. Refreshing and agreeing delivery partner objectives for optimal delivery (June 2024).
  - iv. Refreshing SLAs/MOUs as needed, to deliver the above (June 2024).

- v. Working with Local Authority T&I teams to ensure the PASD Freeport opportunity is actively promoted to existing businesses and their supply chains (on-going).
- b. Harnessing external agency capacity (by June 2024 and then on-going).
  - i. Working with local partners including Chambers, Plymouth Manufacturing Group, MUKSW, SWRDSC to promote the PASD Freeport opportunity to their members and their supply chains. To include a minimum of two events per partner (March 2025).
  - ii. Maximising partnerships with strategic bodies such as Great South West (on-going).
  - iii. Leveraging local commercial agents such as Vickery Holman to secure pre-lets (end of April 2024 and on-going).
- c. Ensuring resilient finances (on-going) including:
  - i. Finalising the financial model refresh in light of the new delivery plan (May 2024).
  - ii. Understanding and managing the implications for the operational budget (May 2024).
- d. Ensuring Nolan principles are embedded across all operations and relationships:
  - i. Completing the annual review of policies (October 2024).

Accountability: Chair of Board

Responsibility: CEO

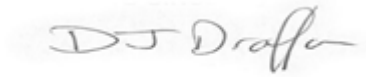
Aligned Teams: Accountable Body, Members Steering Group, Freeport Board, LA partners, LA Inward Investment Teams, GSW, Commercial agents, Finance Lead

**PASD Freeport Annual Plan 2024/5**

*Approved by:*

**Members Steering Group – delegated representatives.**

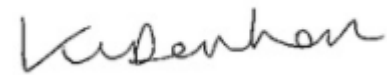
David Draffan (Plymouth City Council)



Chris Brook (South Hams District Council)




Keri Denton (Devon County Council)



*Adopted by:*

**Plymouth and South Devon Freeport Ltd**

Richard May (CEO)



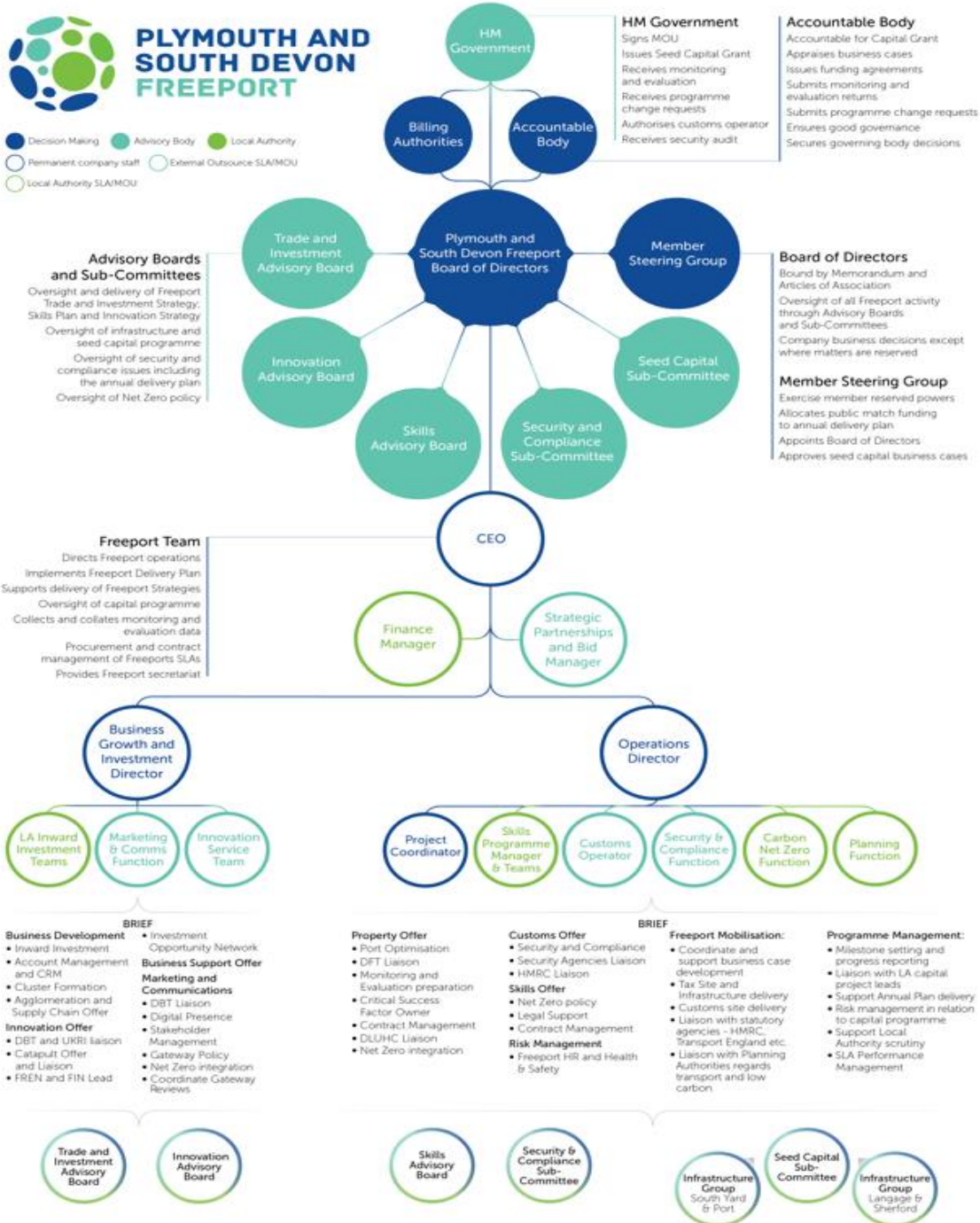
Jan Ward (Chair of Board)



# ANNEXES

## ANNEX A: TEAM STRUCTURE AND OBJECTIVES

### Governance Chart



Areas of Responsibility – to be developed as SMART objectives for team members at annual performance discussions with staff	
Chair	<ul style="list-style-type: none"> <li>• Chairing the PASD Freeport Board</li> <li>• Overseeing and supporting the Chief Executive Officer</li> <li>• Leveraging networks/contacts to generate investment leads</li> <li>• Ensuring financial resilience</li> <li>• Ensuring operational resilience</li> <li>• Ensuring robust governance including embedding of Nolan principles</li> </ul>
Chief Executive Officer	<ul style="list-style-type: none"> <li>• SRO for PASD Freeport</li> <li>• Tasking and supporting the team to deliver: <ul style="list-style-type: none"> <li>○ Investible sites</li> <li>○ An effective Tax Site Management Policy</li> <li>○ Investment</li> <li>○ Clusters and local economic growth</li> </ul> </li> <li>• Day-to-day responsibility for ensuring resilient operations and finance</li> <li>• Championing the Freeport programme nationally and locally</li> <li>• Influencing and lobbying</li> </ul>
Operations Director	<ul style="list-style-type: none"> <li>• Developing the property offer</li> <li>• Co-ordinating tax site and infrastructure delivery including port optimisation</li> <li>• Co-ordinating custom site delivery including HMRC liaison</li> <li>• Liaison with statutory agencies and planning authorities</li> <li>• Risk management including risk register, security and compliance</li> <li>• Supporting Local Authority scrutiny</li> <li>• Monitoring and evaluation</li> <li>• SLA/MOU performance management</li> <li>• Net Zero policy and integration</li> <li>• Skills integration</li> </ul>
Business Growth and Investment Director	<ul style="list-style-type: none"> <li>• Bringing in new businesses to invest in tax site properties, supply chain and ecosystem</li> <li>• Developing and implementing Growth Plans for anchor tenants and their supply chains to maximise the benefits of tax and customs incentives</li> <li>• Supporting development of options for South Yard, working with MOD</li> <li>• Strengthening the sales process</li> <li>• Refocusing the communications plan and establishing regular stakeholder engagement events</li> <li>• Leading relationship management with DBT and Freeport Innovation Network</li> <li>• Developing our added value innovation proposition</li> </ul>
Project Co-ordinator	<ul style="list-style-type: none"> <li>• Monitoring of budgets and cashflow forecasts</li> <li>• Monitoring and evaluation</li> <li>• Developing and implementing policies and providing training where necessary</li> <li>• Trade, investment and innovation back office support</li> <li>• General admin duties</li> <li>• Inquiry and account management policies and procedures</li> <li>• Project management of any externally funded projects</li> </ul>
Net Zero Lead	<ul style="list-style-type: none"> <li>• Develop Net Zero Action Plan and support stakeholders in its implementation</li> <li>• Maintain relationships with regional Net Zero Business Support community to integrate in PASD Freeport's After Care package</li> <li>• Provide Net Zero input to the Seed Capital Programme and define Net Zero levers in funding agreements</li> <li>• Integrate Net Zero business reporting processes into M&amp;E returns</li> <li>• Work with the team to develop a Social Value approach for PASD Freeport</li> <li>• Seek opportunities for leveraging additional funding and/ or green finance for activity that contributes to the Freeport's Net Zero ambition</li> </ul>

Areas of Responsibility – to be developed as SMART objectives for team members at annual performance discussions with staff	
Partnerships and Bid Manager (contract)	<ul style="list-style-type: none"> <li>• Supporting project sponsors with business case development</li> <li>• Preparing seed capital change requests as needed</li> <li>• Preparing responses to information requests from DLUHC and Arup</li> <li>• Compiling internal reports/documentation – e.g. Annual Plan/Report</li> <li>• Bidding for funding</li> <li>• Developing collaborations/MOUs with external partners (national and international) to support investment</li> <li>• Supporting businesses to understand the tax benefits offer</li> </ul>
Marketing and Communications (contract)	<ul style="list-style-type: none"> <li>• Increasing leads/enquiries through the website, socials, stakeholder engagement events and comms</li> <li>• Creating marketing assets</li> <li>• Keeping stakeholders updated and engaged around the Freeport</li> </ul>

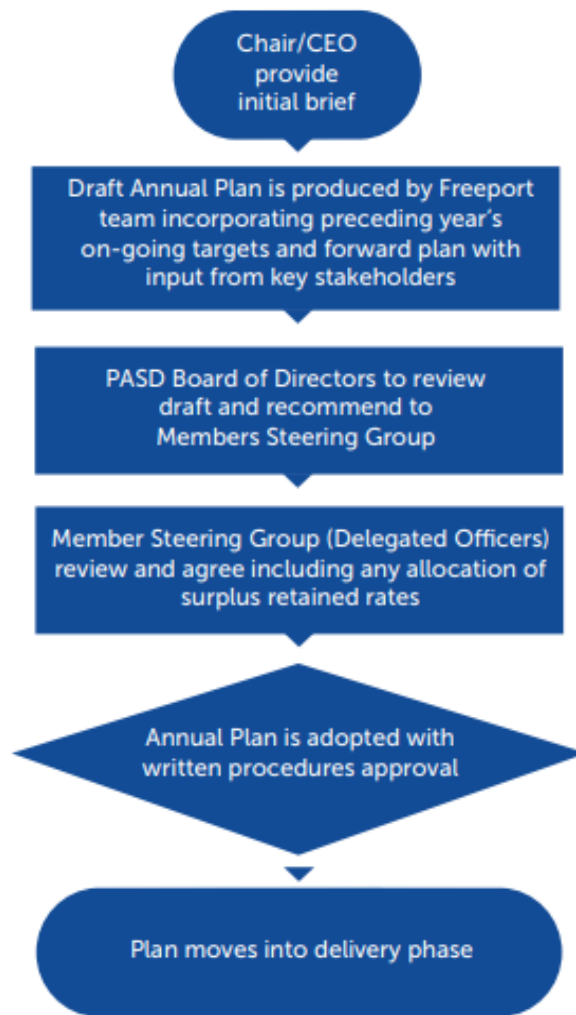
Annual Plan Objective	KPI	Date	Lead	Aligned
<b>Creating Investible Sites</b>				
<b>Activating the Delivery Plan</b>	Maintain lobbying strategy for power constraints and support LEPL with mitigation options	On-going	Ian Cooper	LEPL
	Strategy in place for securing land ownership of [REDACTED]	Sep 2024	Ian Cooper	SHDC
<b>Accelerating seed capital delivery</b>	Project sponsors are supported to bring forward remaining business cases for technical appraisal	Sep 2024	Ian Cooper	Southern Horizons Accountable Body
	SHDC is supported with the Sherford project and back-up masterplan	On-going	Ian Cooper	SHDC
<b>Mobilising the wider (non-seed funded) capital programme</b>	LEPL is supported to bring forward plots 2-4	Mar 2025	Ian Cooper	Urban Fringe team
	Developer interest in [REDACTED] is re-energised	Sep 2024	Ian Cooper	SHDC
<b>Bringing forward customs sites</b>	Support is provided for all business referrals where a confirmed commitment to establish a customs site is secured. Target one activated customs site	On-going	Ian Cooper	BGID
		Dec 2024		SSO Logistics and HMRC
<b>Actively monitoring and mitigating risk across delivery</b>	Security and Compliance sub-Committee is meeting monthly and escalating risk to the Freeport Board as required	On-going	Ian Cooper	Accountable Body
<b>Reviewing and Implementing the Tax Site Management Policy</b>				
<b>Refreshing the Gateway Policy</b>	Sessions held with all partners to embed a shared understanding of the new Gateway Policy and its application	Jul 2024	Ian Cooper	LA Inward Investment
<b>Refreshing Compliance Agreements with landowners</b>	All Compliance Agreements are refreshed and landholders are held to account for their commitments	Sep 2024	Ian Cooper	Landowners
<b>Refreshing the Retained Business Rates Policy</b>	The Retained Business Rates Policy is refreshed in line with the tax incentive timeframes	Sep 2024	Ian Cooper	Billing Authorities/LAs
<b>Landing Investment</b>				
<b>Developing and implementing Growth Plans</b>	Tailored growth/development plans are agreed with our anchor tenants/landowners which leads to investment in the Freeport from the company and/or their supply chain	Sep 2024 with six monthly reviews thereafter	[REDACTED] - Eifion Jones [REDACTED] – Ian Cooper [REDACTED] – Ian Cooper [REDACTED] – Eifion Jones Other investors – Eifion Jones	Southern Horizons Anchor tenants

Annual Plan Objective	KPI	Date	Lead	Aligned
<b>Working through options for South Yard with MOD</b>	[REDACTED]	May 2024	Eifion Jones	CEO
	[REDACTED]	Jul 2024		Operations Director
	[REDACTED]			MOD
	[REDACTED]			
<b>Securing New Tax Site tenants</b>	Pre-let agreements are secured for plots 2 and 3 with Vickery Holman (anchors sufficient to trigger development)	Dec 2024	Eifion Jones	LA Inward Investment
	Pre-let agreements are secured for 75% of Beaumont Way Units	Mar 2025		
	Pre-let agreements are secured for 50% of South Yard Innovation Barns	Mar 2025		
<b>Creating Clusters and Local Economic Growth</b>				
<b>Reviewing the role and membership of the advisory boards and sub-committees</b>	T&I proposition is refreshed		Eifion Jones	T&I Advisory Board LA Inward Investment Project Coordinator
	• Events are targeted with DBT	Apr 2024		
	• DBT sector teams are briefed	Jun 2024		
	• DBT knowledge lab expertise is utilised	Mar 2025		
	Value added innovation proposition is developed		Eifion Jones	Innovation Advisory Board Southern Horizons Project Coordinator
	• Innovation audit is finalised and 'front door' developed	Sep 2024		
	• Innovation service is established	Jul 2024		
	• Minimum of two overseas MOUs are agreed	Mar 2025		
	• Work with Innovate UK and others to secure funding	On-going		
	Bespoke skills/training packages developed with employers		Skills Integration - Ian Cooper (working with skills lead, Phill Adams)	Skills Advisory Board Project Coordinator
• [REDACTED] are offering Freeport L3-7 skills bootcamps	Dec 2024			
• DCTPN is engaging smaller providers in bootcamps	Apr 2024			
• Sector based work academies are expanded	Dec 2024			
• Women's networking groups are brought together	Sep 2024			
• FLOW developers are supported to explore opportunities	Sep 2024			
• Skills Academy and LUF are aligned	On-going			
<b>Delivering our Net Zero Action plan</b>	Innovation technologies that facilitate the transition to Net Zero are scaled	On-going		Innovation Advisory Board

Annual Plan Objective	KPI	Date	Lead	Aligned
	Net Zero is embedded into skills delivery	On-going	Net Zero Integration – Ian Cooper (working with Net Zero Lead, Polly Frost)	Skills Advisory Board
	Embodied & operational carbon emissions from Tax Sites are monitored	On-going		Landowners, businesses, capital project leads Project Coordinator
<b>Refocusing the communications plan and setting up regular stakeholder engagement</b>	Social media presence and engagement is increased	On-going	Eifion Jones	Claire Doyle
	Investor facing webpage is refreshed	Jun 2024		Marketing
	PASD Freeport bi-monthly newsletter is launched	Apr 2024		LA comms teams
	Minimum of two community engagement events supported	Mar 2025		
<b>Ensuring Resilient Operations and Finance</b>				
<b>Optimising team structures to maximise trade and investment growth</b>	Team objectives are agreed	Apr 2024	Richard May	Members Steering Group
	Board performance is reviewed, strategically aligned Directors added	Jun 2024	Jan Ward	Freeport Board
	Delivery partner objectives are refreshed and agreed	Jun 2024	Richard May	LA partners Project Coordinator
	Strategy agreed with Inward Investment teams to promote the Freeport	On-going	Eifion Jones	LA Inward Investment
<b>Harnessing external agency capacity</b>	Minimum of two partner events are delivered per year	Mar 2025	Eifion Jones	Claire Doyle Marketing Identified partners
	Productive engagement with strategic bodies such as Great South West	On-going		GSW and others Southern Horizons
	Commercial agents such as Vickery Holman are leveraged	On-going		Commercial agents
<b>Ensuring resilient finances</b>	Financial model is finalised	May 2024	Jan Ward/ Richard May	Finance Lead
	Implications for the operational budget are managed			Members Steering Group
<b>Embedding Nolan Principles</b>	The Annual Review of policies is completed	Oct 2024	Kate Whitta	Accountable Body

ANNEX B: ANNUAL PLANNING PROCESS

Annual Planning Cycle



**ANNEX C: SUMMARY OF CURRENT SEED CAPITAL ALLOCATIONS (subject to technical appraisal)**

<b>Sponsor</b>	<b>Project</b>	<b>Seed Funding Allocation</b>
<b>Tax Site 1: South Yard and Ports</b>		
<b>Plymouth City Council</b>	Innovation Centre (barns)	£3.256m
<b>Princess Yachts</b>	Factory Extension Project	£0.315m
<b>Associated British Ports</b>	Port Optimisation Project	£1.3m
<b>Cattewater Harbour Commissioner</b>	Port Enhancements Project	£0.382m
<b>Tax Site 2: Langage</b>		
<b>Plymouth City Council</b>	Beaumont Way Units	£4.0m
<b>Devon County Council</b>	Phase 1 a Spine Road Extension	£2.7m
<b>Devon County Council</b>	Cycle and Pedestrian Bridge	£3.669m
<b>Sandy Road</b>	Junction improvements	£3.25m
<b>Langage Energy Park Ltd</b>	Core Infrastructure	£0.925m
<b>Tax Site 3: Sherford</b>		
<b>South Hams District Council</b>	Land Assembly	£3.7m
<b>Sherford Consortium</b>	Access Road/Core Infrastructure	£1.2m

## ANNEX D: MONITORING AND EVALUATION

FBC Output	DLUHC Measure	Baseline	Period/From	Collection Mechanism	Local Target
<b>Trade and Investment</b>					
<b>New businesses trading through the Freeport tax sites</b>	Total businesses operating on Freeport tax sites, customs sites and ports	4	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	Increase of 20 by 2026
<b>New FDI attracted to the Freeport</b>	<ul style="list-style-type: none"> <li>• Investment enquiries</li> <li>• FDI projects</li> <li>• Investment value</li> </ul>	1 0 0			Increase of 8 by 2026
<b>Tonnage of cargo through Port</b>	Freight traffic	DfT volume through port			Increase
<b>Tonnage of cargo arriving from other UK ports (short sea shipping)</b>	Not required by DLUHC	Currently unknown	TBC	TBC	Increase
<b>Value of cargo through Port</b>	Value of Freeport trading activity	0	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	Increase
<b>Regeneration and Job Creation</b>					
<b>New jobs created (excluding jobs directly in the Freeport team)</b>	Increase in total employment on Freeport Tax and Customs Sites	0	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	3,584
<b>Jobs filled by inactive/unemployed people</b>	Not required by DLUHC	0	Proposed annual	Return from Freeport businesses	10%
<b>Hectares of land developed</b>	Not required by DLUHC	0	Proposed annual	Local Authority Planning teams	88.3

FBC Output	DLUHC Measure	Baseline	Period/From	Collection Mechanism	Local Target
N/A	<ul style="list-style-type: none"> <li>Ha of land earmarked for development</li> <li>Planning status</li> <li>Floor space created</li> </ul>	90.3 Ha 3 0m2	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	None set
Private sector investment	<ul style="list-style-type: none"> <li>Private funds committed to seed capital projects/non seed capital projects</li> <li>Value of FDI projects<sup>1</sup></li> </ul>	0 0	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	<ul style="list-style-type: none"> <li>£241.03m based on modelling (covering seed capital and non-seed capital projects not including value of FDI project)</li> <li>Increase in value of FDI</li> </ul>
People upskilled, gaining qualifications (through aligned activity) per year	Number of participants in aligned skills programmes	413			50 per year
Delivery of trained workforce in marine skills through the Marine Skills Academy	Number of employees and number of apprentices involved in Freeports skills programmes	0 0			300-500 learners per year
Sqm of skills infrastructure (Marine Skills Academy) built or refurbished – longer term objective	Floor space created	0	Proposed annual	Local records	Approx. 3,000

FBC Output	DLUHC Measure	Baseline	Period/From	Collection Mechanism	Local Target
<b>Innovation Hotbed</b>					
<b>New innovation space</b>	Floor space created	0	Quarterly aligned to capital approvals	Local records	2,400m
<b>Business diagnostics</b>	Not required by DLUHC	0	Proposed annual	TBC	160
<b>Private R&amp;D investment</b>	Not required by DLUHC	0	Proposed annual	TBC	£16m
<b>New technologies/ prototypes</b>	Not required by DLUHC	0	Proposed annual	TBC	<ul style="list-style-type: none"> <li>• 8 patents filed</li> <li>• 20 new to market products</li> <li>• 40 new to firm products</li> </ul>
<b>Collaborative business/academic projects including KTPs, industrial PhDs and large-scale JIPs/industry consortia</b>	Number of Freeport innovation partnerships	1	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	48
<b>Student placements</b>	Not required by DLUHC	0	Proposed annual	TBC	10
<b>Funded collaborative R&amp;D projects (national grant awards)</b>	Number of Freeport innovation projects	3	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	8
<b>Carbon Net Zero</b>					
<b>N/A</b>	Number of businesses in net zero sectors trading through the Freeport tax sites	1	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	Not set
<b>N/A</b>	Number of green economy jobs/apprenticeships	0.5			

FBC Output	DLUHC Measure	Baseline	Period/From	Collection Mechanism	Local Target
N/A	Movement of freight by Road/Rail	Unknown			
<b>Equality and Diversity</b>					
N/A	Breakdown of all jobs on tax sites by protected characteristic	Baseline not collected in October 2022	Reporting 30 <sup>th</sup> Nov and 31 <sup>st</sup> May for periods April to Sept and Oct to March	Bi-annual M&E return	Broadly comparable with the diversity profile of community

## ANNEX E: OPERATIONAL BUDGETS

The Accountable Body has declared that the company and its financial plan for YE Mar 2025 is viable – with a non-repayable grant of £303k being awarded from residual Freeport Seed Capital and converted to revenue. The company has a [REDACTED] for subsequent years. The company will work with the Members and the Accountable Body to create a Financial Forward Plan 2026-2031 [REDACTED] – this may include additional partner contributions. The Forward Plan will review the full financial model to obtain a clearer understanding of available retained rates income with less long-range assumptions. This position is understood by the Board.

Income	YE Mar 2025	YE Mar 2026	YE Mar 2027	YE Mar 2028	YE Mar 2029	YE Mar 2030	YE Mar 2031	
[REDACTED]	100,000.00	100,000.00	100,000.00	-	-	-	-	
[REDACTED]	-	-	-	-	-	-	-	
[REDACTED]	104,040.00	106,120.80	108,243.21	-	-	-	-	
Oceansgate (PCC)	50,000.00	50,000.00	50,000.00	-	-	-	-	
[REDACTED]	52,020.00	53,060.40	54,121.61	-	-	-	-	
RB Rates – FBC profiled income	-	-	-	475,000.00	483,000.00	494,000.00	504,000.00	
Transfer from Capacity Grant 1	45,000.00	-	-	-	-	-	-	
Seed Capital grant made revenue	303,000.00	-	-	-	-	-	-	[REDACTED]
Additional partner contributions	-	-	130,000.00	40,000.00	30,000.00	90,000.00	100,000.00	[REDACTED]
<b>Total</b>	<b>654,060.00</b>	<b>309,181.20</b>	<b>442,364.82</b>	<b>515,000.00</b>	<b>513,000.00</b>	<b>584,000.00</b>	<b>604,000.00</b>	[REDACTED]
<b>Expenditure</b>								
Team (staff and contractor)	417,600.00	415,800.00	402,000.00	418,080.00	434,803.20	452,195.33	470,283.14	
Professional Services	50,480.00	30,230.00	31,310.00	36,500.00	37,960.00	39,478.40	41,057.54	
Marketing	37,000.00	29,000.00	18,500.00	30,000.00	20,000.00	20,800.00	21,632.00	
Office Costs	7,500.00	7,560.00	7,620.00	7,924.80	8,241.79	8,571.46	8,914.32	
AB Grant Repayments	-	-	-	-	-	50,000.00	50,000.00	
Other	11,000.00	11,000.00	11,000.00	11,440.00	11,897.60	12,373.50	12,868.44	
<b>YE Cash Position</b>	<b>523,580.00</b>	<b>493,590.00</b>	<b>470,430.00</b>	<b>503,944.80</b>	<b>512,902.59</b>	<b>583,418.70</b>	<b>604,755.44</b>	
Carried forward from YE Mar 24	83,500.00							
<b>Clear Cash Position</b>	<b>213,980.00</b>	<b>29,571.20</b>	<b>1,506.02</b>	<b>12,561.22</b>	<b>12,658.63</b>	<b>13,239.93</b>	<b>12,484.49</b>	

## **ANNEX F: ANNUAL AUDIT OF SECURITY MEASURES**

PASD Freeport was invited to attend the Government's Freeport Security Forum in autumn 2023 to explain on the ground experiences and share views on the security requirements within the Freeport boundary. As a direct result of PASDF feedback, and in recognition of all Freeports being in the early stages of the implementation phase, Government agreed with the Freeport Security Forum a pragmatic approach that better reflects this.

While the Annual Freeport Security Audit (AFSA) process for 2023/24 still covered the original principles of the audit, as set out in the Freeports Framework, the focus of the first AFSA was to hear feedback from Freeports and develop a collective understanding of security and illicit activity risks in the context of Freeports now that we're in the implementation phase. As such, the process was lighter in terms of written requirements and more verbal and discussion based. PASDF was the first Freeport to complete the above-described AFSA on 1 February 2024. Informal feedback was very positive, and the official outcome of the audit will be confirmed as part of the Freeport's Annual Performance Review process for 2023/24.

For 2024/25, we will continue to work collaboratively with Government to ensure we meet any AFSA requirements that are issued to us as part of the APR 23/24 process. We will continue to monitor and mitigate security and illicit activity risks via monthly Freeport Security and Compliance Sub-Committee meetings, and the wider Security and Illicit Activity Group where input from this wider network of stakeholders is deemed necessary.

## **ANNEX G: RISK MANAGEMENT**

### **Seed Capital Risk Register**

The Freeport's Memorandum of Understanding (MOU) with Central Government requires the Freeport Accountable Body (Plymouth City Council) to maintain:

- Appropriate records relating to Freeport delivery, including, but not limited to project plans and risk registers for HMG funded activity.

The Accountable Body maintains the Seed Capital Risk Register for all projects that are allocated seed funding. The risk register gives a rating on the likelihood of each project completing within the required timeframe, considering the anticipated timeline to receiving the project business case, achieving a signed funding agreement, and the projected delivery window.

The Freeport Member Steering Group and Board of Directors are collectively accountable for the management of all risks associated with Freeport seed capital funding.

The Accountable Body is responsible for ensuring that they are supported to discharge this function effectively.

Responsibility for regular review of the Seed Capital Risk Register is within the remit of the Seed Capital Sub-Committee with the expectation that this will be conducted at least quarterly and in timely fashion to inform the Board where this may be required.

Risk Management is also included in the submission of the opinion of the Accountable Body's Section 151 Officer requested as part of the Annual Review.

### **Programme Risk Register**

The Freeport Governing Body, the Board of Directors and the Freeport Member Steering Group are obligated by the MOU to ensure:

- The documentation and active management of all overall delivery risks related to the Freeport and the dedication of proportionate resources to ongoing risk management.
- Suitable escalation to address, mitigate and resolve significant risks through the governance procedures put in place.
- Regular and thorough maintenance of the Freeport's risk register(s), risks, associated mitigations, progress, and removal.

The Freeport Board of Directors are collectively accountable for the management of all risks associated with the Freeport programme.

The Freeport Chief Executive Officer is responsible for ensuring that they are supported to discharge this function effectively and that risks that are recorded on the Programme Risk Register where the residual risk is assessed as being high (red) post-mitigation are reported to the Board of Directors.

The Programme Risk Register is reviewed monthly by the Operations Director and shared for further review and scrutiny at the Security and Compliance Sub-Committee.

The Freeport Operations Director is the lead officer responsible for maintaining the Programme Risk Register.

As of 25<sup>th</sup> March 2024, five risks are RAG rated red post-mitigation:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

All five risks have been escalated to the PASD Freeport Board for consideration and mitigation plans are in place, as laid out in the full Freeport Programme Risk Register.

The Freeport’s Risk Management Policy provides a comprehensive overview of risk management governance and processes, and is published within the governance section of the Freeport’s website:

<https://pasdfreeport.com/wp-content/uploads/2023/12/PASD-Freeport-Risk-Management-Policy-FINAL.pdf>