



Oceansgate Plymouth University

Feb 2018

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Marine enterprise in Britain's Ocean City

Why is this so important

- Flagship project in Plymouth and South West Peninsula City Deal programme
- Creating a major marine hub with clusters in autonomy, sensors, systems, marine software
- Securing land in South Yard supports growth of marine sector. Access to water critical
- Vital for Plymouth to attract highly productive businesses and jobs
- Marine and advanced manufacturing sectors our most productive
- Important growth site for government and the Local Enterprise Partnership
- Anticipated 25,000² of new and refurbished floorspace and up to 1200 jobs
- Enterprise Zone status for all of South Yard



Role of the Council

- Council has responsibility for Economic Growth
- Council intervention required to unlock this site. Market would not engage without this intervention
- Through City Deal the Council has levered £20.5m of loans and grants to get this project off the ground
- Significant risks involved for the Council
- Includes funding for security enclaving and separation works
- Funding is now fully committed to a programme of works and direct development
- To deliver this project a close partnership is required between the Council, MoD and Babcock to ensure successful delivery.



Funding and Development Strategy

- Total estimated cost £41.5m
- Approved capital programme £20.5m
- Funding Gap £21.0m
- ERDF (Phase 2) £2.6m
- Council Borrowing £8.0m
- Grant funding required £10.4m



- 7.5 ha
- Up to 1,200 jobs
- Up to 25,000m² of floor space

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- Phase 1 complete Feb 2018
- 2600m² floor space
- 177 jobs

- Phase 2 complete 2019/20
- 2,900m² floor space
- 196 jobs

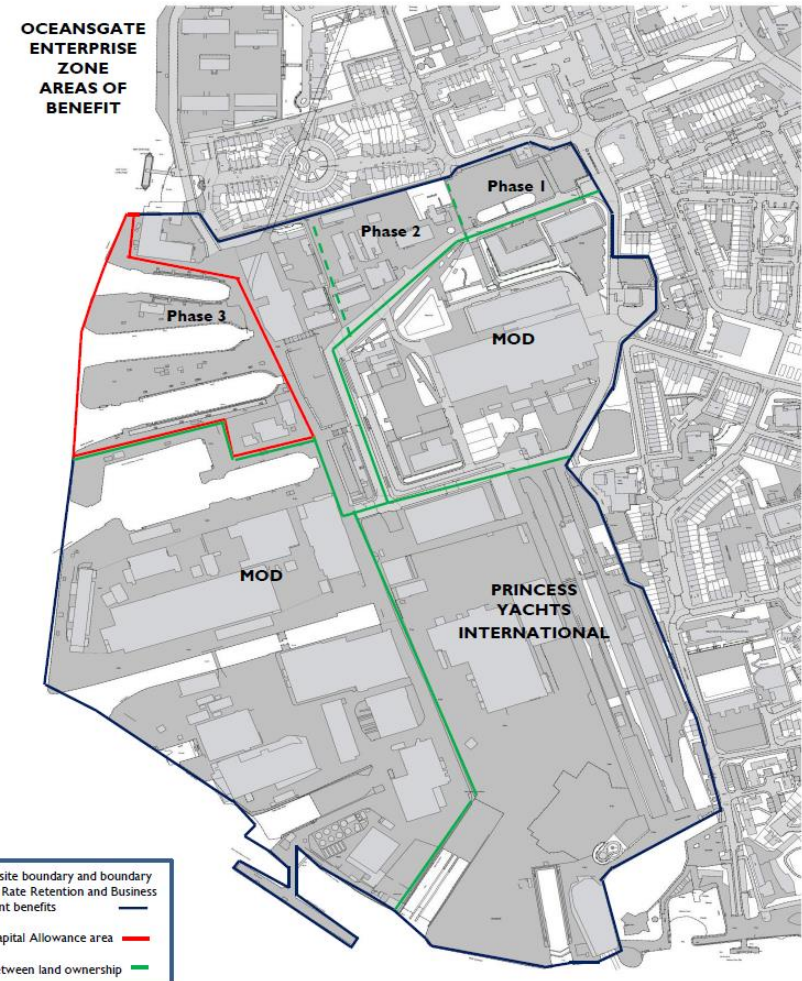
- Potential relocation of Heritage Centre in next five years

- Phase 3 transfer anticipated 2020
- 600 jobs

- ☐ Existing Buildings converted to employment use
- ☐ Proposed Buildings - employment use
- ☐ Recently Completed Buildings - employment use

Enterprise Zone

- 25 years from 01/04/2016
- Business Rates Discounts
- Enhanced Capital Allowances
- Business Rates Retention



Summary of Progress: Phase 1

- Phase 1 land transferred as freehold from MoD to PCC
- £7.7m secured for Phase 1 build
- 1,300m² of office space and 1,300m² of light industrial workspace
- Creating 177 jobs
- Strong pipeline of business interest particularly from Babcock/ Princess Yachts.
- Three businesses have agreed leases subject to legal sign off
- Construction due to complete in March 2018





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Summary of Progress: Phase 2

- Phase 2 land transferred from MoD to Council on 299 yr lease
- Site cleared of redundant buildings and feasibility study undertaken
- Preferred option includes 1,600m² of office space and 1,300m² of light industrial workspace
- Creating 196 jobs
- £14.3m in place. Includes; £6.1m PCC loan and £2.6m ERDF (full business case required March 23rd 2018))
- Completion due 2019/20
- Potential for further development with relocation of the Naval Heritage Centre



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Summary of Progress: Phase 3

- Agreement for Lease with MoD completed March 2015
- “Waterfront Development Strategy” finalised February 2016 (Beckett Rankine), recommending disposal as a single lot
- Formal expressions of interest campaign in 2016/17 resulting in two ‘bids’, primarily for boat building and repair
- Many other informal expressions of interest received for smaller lot sizes
- Now gearing up for formal disposal process, conditional on completion of the enclaving and re-servicing of the site, subject to securing additional funding



Summary of Progress: Marine Business Technology Centre

- Major collaboration between Plymouth City Council and local Knowledge Partners. Funding includes £2.591m ERDF to deliver 96 business assists.
- Enables marine businesses to test and innovate in waters around Plymouth Sound
- Based in Oceansgate. Will help attract marine tech businesses to site
- Work started on 'in sea autonomy test range' with consortium of businesses including; Thales,



Summary of Progress: Infrastructure 1



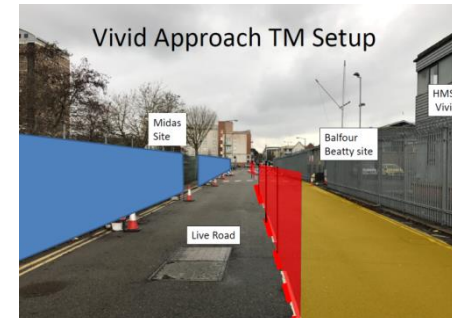
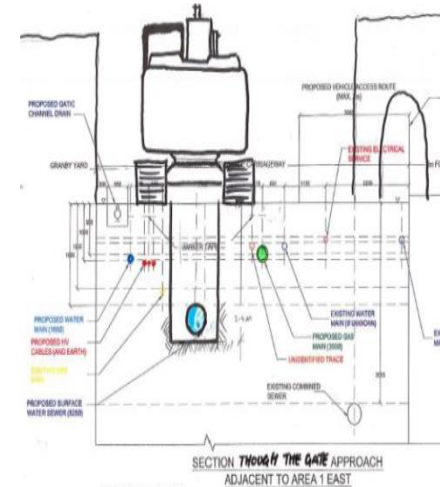
- Balfour Beatty entered contract for £2.3m in January 2018
- Completion due in November 2018



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Summary of Progress: Infrastructure 1

- Provision of new flood relief sewer and mains utility services for Phase 2 development and future extension into Phase 3
- Complex works delivery to maintain “Clearway” status of a live road serving the Naval Base
- Phased works in sections of roadway under traffic light control, maintaining 3m wide access for emergency vehicles at all times



Phase 2 : Technical Delivery



- Feasibility Option 4



- Original Masterplan



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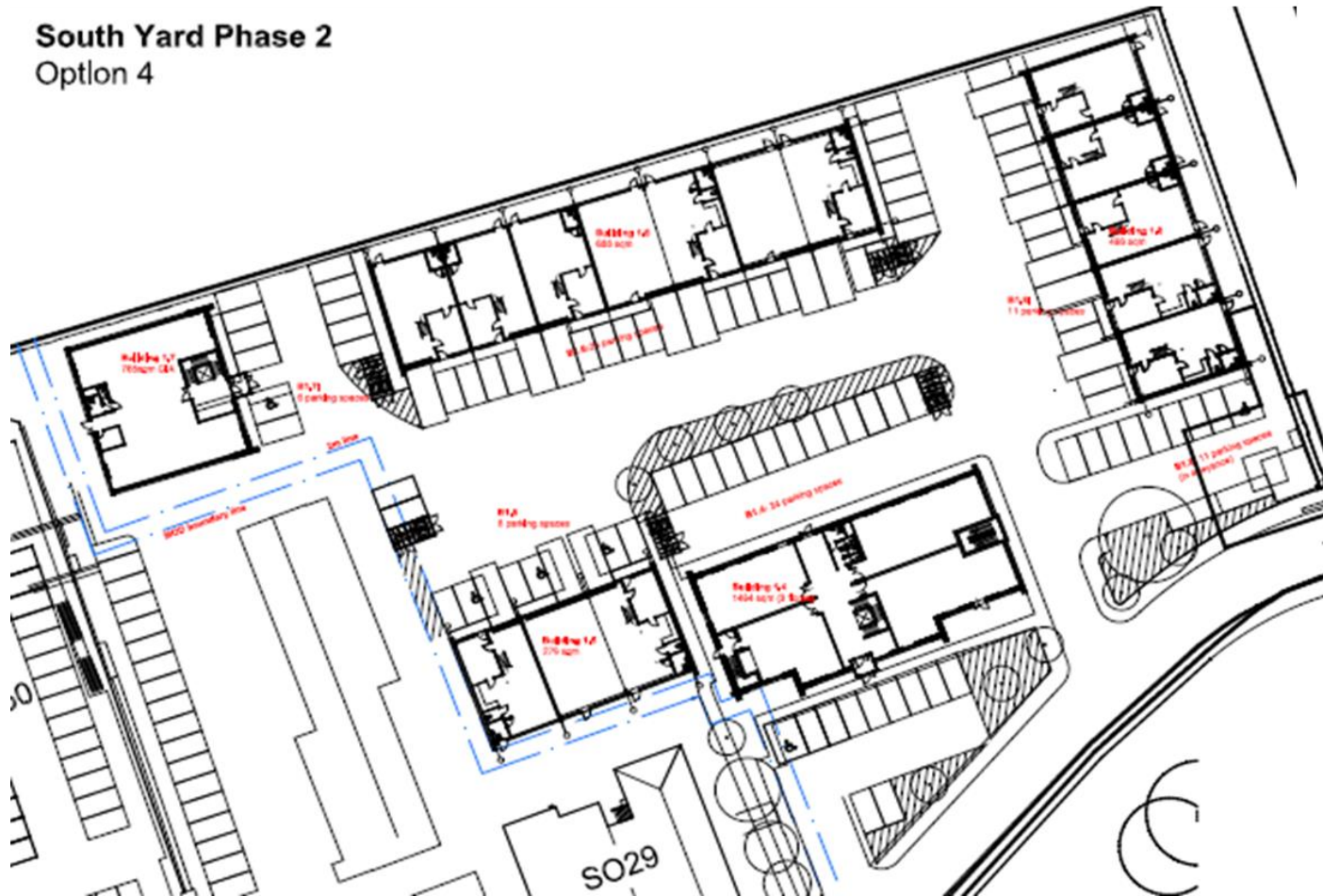


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Phase 2 : Technical Delivery

South Yard Phase 2

Option 4



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Phase 2 : Technical Delivery

- Assemble funding and governance
 - Develop Business case
 - Assemble Technical Advisors team
 - Procure D&B contractor with design team. Form feasibility study
 - Contractor procurers subcontractor tender prices to reach Financial close
 - Construction
 - Need a Funding Opportunity
 - Strategic Fit, Demand Study, Optional Appraisal, Feasibility,
- Delivery methods, Governance.
 - Clients Advisors , including PM, Architectural advisor QS, Engineers and COW
 - Using 2 stage Construction Frame Work, appointing contractor and design team under a pre contract agreement.
 - Risk transfer negotiated.
 - Using JCT or NEC construction contract.



Phase 2 : Technical Delivery



- Empowered construction team
- Technical Assurance form TA team.
- Contractor control of the design process
- Client PM in control of managing contracts.
- Transfer of appropriate risks
- Contractor on board early to undertake investigations.
- Happy team



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