

Supplementary written evidence submitted by Plymouth City Council

Further to the Panel 1 session of the Defence Committee inquiry on the 08 September 2020, please find provided additional information from Plymouth City Council with respect to the following:

Q117 Stuart Anderson: ...Could you explain relatively briefly how you have managed with past fluctuations and what contingency preparations you are making for the integrated review?

Being home to the largest naval base in Western Europe, Plymouth has often found itself faced with rumours of cuts to platforms and personnel. Most notably of the recent examples was the rumoured decommissioning of HMS Albion and HMS Bulwark. The city managed the potential consequences of this by quickly convening key partners across the city, commissioned consultants to investigate the economic impacts of the decision and coordinating the *Fly the Flag* campaign. In partnership with local media outlets, the campaign sought to raise awareness of the potential impacts among the local public and inspire citywide pride and awareness of the contributions of HMNB and Dockyard Devonport to the defence of the realm.

The research commissioned established that the ships (HMS Albion and HMS Bulwark) directly employs 968 FTE workers, representing 8 per cent of the total HMNB and Dockyard employment. At the time of writing it was anticipated that these jobs would continue until the mid-2030s and support an additional temporary uplift of circa 250 workers during two planned upkeep periods of 2-3 years. The contribution of the FTEs directly employed to work on these ships support £52m in GVA in Plymouth.

These potential losses should be taken in the context of the city's relatively low levels of productivity, coming in at 88.1 per cent of the national average. The city's peripherality has continued to drive not only this low level of productivity, but has also seen its decline in relation to the rest of the country. As such, the Naval Base and Dockyard acts as a hugely important driver of the city's productivity, and further erosion of the base's ability to provide this growth to the city will have significant effects felt much wider than the previously stated economic impacts.

Historically, Plymouth has been hit exceptionally hard by reductions in defence estates over the last three decades. The Royal William Victualling Yard was closed in 1992, the Naval Hospital at RNH Stonehouse closed soon after in 1995. This was followed in 2004 by the closure of Mount Wise and HMS Ocean was decommissioned in 2018.

The city has managed these fluctuations through creative and innovative ways such as;

- Creating a dive site from the decommissioned HMS Scylla;
- Turning redundant MoD sites at RAF Mount Batten and the Admiralty at Mount Wise into housing;
- Reimagining the disposed Royal William Yard (the largest collection of grade 1 listed buildings in Europe) into a hub of creative industries and a premier mixed-use development;
- Acquiring South Yard in the 2014 City Deal to turn it into Oceansgate, the UK's first marine enterprise zone which is already nearing occupancy across both phase 1 and 2.

The costs associated with the disposal and regeneration of MoD sites such as these often make them financially unviable due to the lack of any associated legacy funding. The regeneration of the Royal William Yard, dates back to 1993 when the Plymouth Development Corporation, was set up to deliver the regeneration of the Royal William Yard alongside RAF Mount Batten. The Royal William Yard benefitted from significant amounts of public investment, including all the public realm works and new service infrastructure in the Stonehouse Peninsula. However despite this nearly 30 years on this regeneration is still not fully complete. With the proposed disposal (exact details still to be determined) of other MOD sites in the city such as Stonehouse Barracks in the coming years, further

investment will be needed to bridge any development gap. Without support from the MoD in regenerating these sites the implications will be felt across the whole city.

In terms of contingency preparations for the Integrated Review, the Council continues to remain highly engaged with local key defence stakeholders to identify where support is appropriate. At present, the City Council and fellow stakeholders have focused their attention on the recovery of the sector from the Covid-19 pandemic. In the citywide recovery plans, the defence sector has been identified as one of the flagship sectors, which due to its relatively high rates of productivity will be fundamental in the city's ongoing recovery from the pandemic. Through this work, the city is working with partners at HMNB and Dockyard Devonport and beyond to capitalise upon upcoming investment and ensure that the benefits are shared across the local economy.

15 October 2020