

Record of Decisions

Levelling Up Fund Round 3 - Torbay Technology Park

Decision Taker

Cabinet on 11 September 2024.

Decision

1. That Cabinet recommends to Council;

That the Director of Finance, in consultation with the Director of Pride in Place and Cabinet Member for Place Development and Economic Growth, be given delegated authority to vary the Capital Plan upon confirmation of the final acquisition price of Torbay Tech Park, which is to be funded from Levelling Up Fund grant, be approved.

2. That Cabinet be recommended:

That, subject to 1. above delegated authority be given to the Director of Pride in Place, in consultation with the Cabinet Member for Place Development and Economic Growth and Director of Finance, to agree and finalise the detailed acquisition terms as set out in option 2 to purchase circa 6 acres of employment land on Torbay Business Park, to progress the development of the Torbay Tech Park, subject to the final purchase price being evidenced against an independent valuation for the site and not exceeding the grant funding allocation for acquisition.

Reason for the Decision

Torbay's Economic Growth Strategy has a focus on creating high value jobs through the growth of key sectors. Through the Torbay Tech Park project, the Council will attract, retain and grow economic specialisms creating 100 full time equivalent jobs and 22,000 sq ft of new employment space; furthermore, the remainder of the site will enable the future development of circa 40,000 sq ft of additional business space creating a further 182 high value jobs. These projects support delivery of not only the Economic Growth Strategy but the Community and Corporate Plan and the Business Plan.

Implementation

The decision in respect of 1. Above will be considered at the Council meeting on 12 September 2024.

The decision in respect of 2. above will come into force immediately as the decision maker has decided that any delay likely to be caused by the call-in process would prejudice the public's and the Council's interest. The Overview and Scrutiny Co-ordinator was consulted on 30 August 2024.

Information

In November 2023, the government announced Levelling Up Fund round 3 (LUF3). Unlike previous rounds, this was an allocation-based process with funding being offered to places with high quality bids from Levelling Up Fund round 2 (LUF2). Torbay was one of 55 places chosen.

Torbay's submission was to develop the Torbay Technology Park (Torbay Tech Park), on Torbay Business Park, and a Port Infrastructure Project on Oxen Cove. Torbay had been granted up to £20M of LUF3 to deliver the Tech Park and Brixham Port Infrastructure Project.

The location of the Torbay Tech Park is important. The chosen site's proximity to EPIC and South Devon's College's HI Tech Digital Centre would create something akin to an Innovation Zone, improving collaboration between both the businesses and the College, driving investment and funding leading to growth and more jobs.

A key element of delivering the Torbay Tech Park was the purchase of the site. Authorisation to acquire the site would ensure compliance with the spend profile for the grant that had been agreed with government and would avoid any risk of triggering a review.

At the meeting, Councillor Chris Lewis proposed and Councillor David Thomas seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

Option 1: Do Nothing.

This option was discounted as it would result in further delays and could jeopardise the project. In exchange for the LUF3 funding, a spending profile had been agreed. Delays would not only result in failure to spend against profile, it would put the project further back, which would likely result in a future deep dive from government. Furthermore, the Council would not be able to deliver a key milestone set out in the Business Plan 2024/27, as well as all the possible outcomes set out in section 8.

Option 2: Deliver the scheme as submitted to Government in March 2024.

This was the preferred option as it was affordable based on the LUF3 grant offered. It provided grow on space for the sector, supported the attraction of inward investment and reassurance to locally based businesses as to Torbay's commitment to the sector.

Option 3: Deliver the site in full.

This option would have been optimal for demonstrating to the sector locally, nationally and internationally that there was a pipeline of space available. However, it was cost prohibitive as further funding was required to deliver the additional 40,000 sq. ft of business space. Therefore, this option was discounted.

Is this a Key Decision?

No

Does the call-in procedure apply?

No

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

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12 September 2024

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet