



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Environment, Regeneration and Streetscene Services Cabinet Board

Friday 9th February 2024

Report of the Head of Property and Regeneration – S. Brennan

Matter for Information

Wards Affected: All Wards

Swansea Bay City Deal – Neath Port Talbot led projects update (Supporting Innovation and Low Carbon Growth & Homes As Power Stations)

Purpose of the Report:

To update Members on the Swansea Bay City Deal Neath Port Talbot led projects – Supporting Innovation & Low Carbon Growth and Homes as Power Stations.

Executive Summary:

Neath Port Talbot is the Local Authority Lead for two Swansea Bay City Deal projects.

This report and presentation updates Members on:

- The Supporting Innovation and Low Carbon Growth programme

- The Homes as Power Stations regional project

Background:

Swansea Bay City Deal portfolio comprises 9 projects and programmes.

Neath Port Talbot is Local Authority lead for the Supporting Innovation & Low Carbon Growth Programme and the Homes as Power Stations Project.

The **Supporting Innovation & Low Carbon Growth (SILCG)** programme is made up of eight interlinked projects:

Bay Technology Centre

Developed in response to well-evidenced demand for high quality, flexible business premises. A hybrid building on Baglan Energy Park providing a range of high quality, flexible, speculative office and laboratory space to support start-up businesses and indigenous business growth.

The design of the building has established it as Wales' first commercial 'building as a power station' (energy positive) with a link to the Hydrogen Centre providing a proof of concept to use renewables to create hydrogen and fuel vehicles demonstrating the potential to decarbonise vehicle refuelling.

SWITCH (South Wales industrial Transition from Carbon Hub) Harbourside

SWITCH will provide a specialist facility on Harbourside, Port Talbot to carry out research to support the steels and metals industry and supply chain to improve competitiveness by increasing product capability and reduce carbon emissions to meet legislative requirements.

This will be achieved by strengthening collaboration between industry and academia and increasing the level of applied research to accelerate the adoption of improved products and processes. The City Deal funding will be used to construct a purpose built facility and purchase specialist equipment.

Advanced Manufacturing Production Facility (AMPF)

This project has been developed in response to the well evidenced need for business sites and premises, including industrial premises. The project is to develop a hybrid building based on the 'proving factory' concept, providing a range of production units incorporating a pilot line with office space to support start-up companies and indigenous business growth in the innovation and manufacturing sectors.

National Net Zero Centre of Excellence for Skills (new project approved in December 2023)

To deliver industry led, green skills training and development by upskilling the local, regional and national labour markets with appropriate green skills to enable transition to a net zero economy, whilst supporting the development of local and regional low carbon projects.

The aim is to establish the facility as a central hub for national Research Development & Innovation activity, using the state of the art facilities to increase the number and quality of low carbon businesses in the region, promoting further investment and innovation. The skills provision will be collocated with the Advanced Manufacturing Production Facility

Hydrogen stimulus programme

This project has been developed to demonstrate the viability and commercial opportunities to the creation of hydrogen from renewable sources.

The project will establish a link between the Swansea Bay Technology Centre and the Hydrogen Centre on Baglan Energy Park, including necessary upgrades to the equipment including an electrolyser to create smart energy systems and to use excess electricity to convert to hydrogen to fuel vehicles for council use which will also be purchased with City Deal funding. There is potential to replicate this activity on a commercial scale which will be explored during the delivery of this initial project.

Air quality monitoring programme

This project has been developed in response to air quality issues and the need to understand levels of pollution to make informed decisions on mitigation and intervention measures. The project will incorporate a monitoring and analysis system to provide verified sources of air quality data. The data analytics generated by the project will help to identify correlation with factors such as pollution sources, both internal and external to the area. The funding will be used to purchase air quality monitors and the data analytics side of the project. There is potential to replicate this activity across the region, Wales, the UK and worldwide.

Electric vehicle charging infrastructure route map project

This project has been developed in response to the need to decarbonise transport, and address the new challenges posed by the increasing number of electric vehicles. The project consists of three phases:

Phase 1 – to consult with leading academics, industry partners and the public sector to produce an effective, impactful and future-proof electric vehicle charging strategy.

Phase 2 - will focus on the physical implementation of smart charging stations and the grid infrastructure required to support modern charging technologies.

Phase 3 – To use information gathered from the implemented smart charging stations to build a detailed dataset of electric vehicle charging behaviours within the area. This will be used to fuel research into topics including vehicle-to-grid transfer for flexible energy systems, virtual power plants, and future economic/business models for electric vehicle charging stations.

Property Development Fund

This project has been developed to support the viability of private sector schemes to develop bespoke and speculative buildings in the Port Talbot Waterfront Enterprise Zone (Harbourside, Baglan Energy Park and Baglan Industrial Estate). The fund will be administered by Neath Port Talbot Council as a £10m fund (£4.5m gap funding non-repayable finance / £5.5m Private Sector investment).

Homes as Power Stations (HAPS)

HAPS is a regional pioneering project to facilitate the adoption of the 'HAPS approach' i.e. the integration of energy efficient design and renewable technologies in new build and existing housing stock across the public, private and third sectors in the Swansea Bay City Region.

It is a regional project led by Neath Port Talbot County Borough Council on behalf of the four local authority partners in the Swansea Bay City Region (SBCR): Neath Port Talbot County Borough Council, City and County of Swansea, Carmarthenshire County Council and Pembrokeshire County Council.

The project comprises a number of linked activities, including:

- Establishing a project team to coordinate activity across the region
- Facilitating the adoption of energy efficient design and renewable technologies in new-build homes and existing housing stock supported by a regional targeted **financial incentives fund**;
- Developing a sustainable, skilled regional supply chain for renewable technologies in homes supported by a regional **supply chain development fund**;
- Establishing a coordinated **monitoring and evaluation of the technologies** programme;

The HAPS project will add value to existing and pipeline energy efficiency programmes, through the provision of targeted 'additional' funding. It will aim to establish a sustainable, skilled regional supply chain with the potential to establish the region as a centre of excellence in renewable technologies in housing.

The aim of the project is to 'prove' the HAPS approach through a phased programme of activity, starting in the public and Registered Social Landlord (RSL) sectors, learning lessons from a comprehensive monitoring and evaluation of technologies process, developing a consistent 'standard' leading to the aggregation of the supply chain, disseminating the findings and encouraging the private sector to adopt the HAPS approach in subsequent phases.

HAPS Financial Incentives Fund (£5.75m)

This fund was launched in the second quarter of 2023 to encourage and support the uptake of the HAPS concept primarily with local authorities that have housing stock and Registered Social Landlords. Private Sector developers were also eligible to access the fund.

There was a significant amount of interest where, following a rigorous application and scoring process, 16 projects across the four counties

were awarded funding of up to £300k per scheme. A total of £3.7m has been allocated in this initial phase of funding.

Three schemes in Neath Port Talbot have been allocated funding to enable 118 HAPS homes to be created. There is a further £640,000 allocated to houses within Neath Port Talbot Council area to support the objectives of HAPS.

Applicant	Scheme Name	New Build / Retrofit	Total Investment	HAPS Funding Request
Coastal	Sandfields Port Talbot	Retrofit	£220,000	£198,000
NPTCBC	Eco4 Flex	Retrofit	£1,513,450	£300,000
Pobl	Neath Working Mens Club	New Build	£7,770,264	£300,000
				£798,000 (£639,500)

Supply Chain Development Fund (£7m)

Work is ongoing with local authority business teams across the region to gather information on the current supply chains related to HAPS technologies and identify opportunities for businesses to diversify and grow to meet the HAPS objectives. This fund criteria is currently being scoped to maximise opportunities alongside other funds including UK Shared Prosperity Funding and funding available from UK government and Welsh Government.

Technical Monitoring and Evaluation Contract (£1m)

An external independent organisation has been procured to support the ongoing technical monitoring of the various concepts of HAPS. The contract was awarded to Cardiff University's Welsh School of Architecture who have a proven track record in carrying out this specialist monitoring.

Information and findings will be disseminated to provide a 'Knowledge Sharing Hub' to build confidence and encourage a longer term take up from the private sector.

Financial Impacts:

No implications. Funding for the project and programme is via the overall Swansea Bay City Deal grant provided to the Council detailed above.

Integrated Impact Assessment:

Not applicable.

Valleys Communities Impacts:

The nature of the interventions will have a positive impact on the valley communities and is aligned to the Neath Port Talbot Corporate Plan, Neath Port Talbot Economic Recovery Plan and the Wellbeing Assessments.

Workforce Impacts:

The Strategic Funding Programmes Office leads on project and programme delivery, this is managed by Lisa Willis.

Brett Suddell is the Programme Manager for Supporting Innovation and Low Carbon Growth.

Oonagh Gavigan is the Project Manager for Homes as Power Stations.

Legal Impacts:

Any procurement activities will be carried out in accordance with the requirements of the Public Contract Regulations 2015.

Carmarthenshire Council, as Accountable Body for the Swansea Bay City Deal has entered in to a Grant Agreement with each Local Authority Lead in relation to funding.

Neath Port Talbot Council has entered into an Inter Authority Agreement with the partner Local Authorities in the region in respect of the Homes as Power Stations project.

Third Party Grant Agreements are in place with delivery partners and third parties.

Risk Management Impacts:

There are no risk management issues associated with this report.

Both projects / programmes have developed a risk register which is managed by the Project / Programme Managers and reviewed by the Project / Programme Boards.

Consultation:

This item has not been subject to external consultation.

Recommendations:

- Members note the report and presentation for information.

Reasons for Proposed Decision:

Not applicable.

Implementation of Decision:

Not applicable.

Appendices:

None.

List of Background Papers:

None.

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