

Swansea Bay City Region Joint Committee - 28 January 2020

Supporting Innovation and Low Carbon Growth Project

Purpose:

Policy Framework: Swansea Bay City Deal

Consultation:

Recommendation(s): It is recommended that:

- Joint Committee considers feedback from the Economic Strategy Board on the Supporting Innovation and Low Carbon Growth programme of projects
- Joint Committee approves the formal submission of the Supporting Innovation and Low Carbon Growth full five-case business plan to the UK Government and Welsh Government for approval
- 3) Joint Committee grants officers delegated powers to make any minor amendments necessary to obtain that approval

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Access to Services Officer:

1. Introduction

1.1 The Supporting Innovation and Low Carbon Growth programme has been developed to deliver a coordinated delivery of sustainable growth and job creation in the region with a targeted focus on the Port Talbot Harbourside area.

The Programme aims to create the right environment for innovation, new technologies and a decarbonised local and regional economy.

















The Programme has been developed around four interlinked themes:

- Swansea Bay Technology Centre An energy positive building on Baglan Energy Park providing flexible office space for start-up companies and indigenous businesses, with a focus on the innovation, ICT and R&D sectors. The excess energy from solar and other renewable technologies will be converted into hydrogen at the nearby Hydrogen Centre to be used to fuel hydrogen vehicles.
- National Steel Innovation Centre that aims to support the steel and metals industry in Port Talbot and Wales, with the aim of reducing the carbon footprint of the steel and metals industry, and increasing the sustainability of the industry, linking in to the circular economy.
- **Decarbonisation** To assist with the delivery of decarbonising the City Region, a number of core projects will be undertaken in collaboration with a number of public, private and academic partners including the FLEXIS research operation. These projects include a hard-wired electrical link between the Swansea Bay Technology Centre and the nearby Hydrogen Centre, as well as an electrical charging infrastructure route map. Encouraging the uptake of electric vehicles, this includes the development and implementation of an electric vehicle charging network that meets the demands of residents, businesses and visitors. New charging stations will contribute to solving Wales' lag in electrical vehicle charging infrastructure and coverage compared to the rest of the UK. Air quality modelling and realtime monitoring will also be introduced to enable better informed air quality decisions in future. This project will include data analytics to identify correlation with pollution sources, evaluation of intervention measures, and area wide, real-time data with significantly more geographic detail than is currently available.
- Industrial Futures This will address the gap between demand and supply for businesses and available land in the Port Talbot Waterfront Enterprise Zone, with a hybrid building providing production units as well as office space to support start-ups and indigenous businesses especially those in the innovation and manufacturing sectors. There will also be laboratory space supported by Industry Wales for spin-outs to monetise research and development projects, as well as land remediation, flood defence work, construction of access roads and upgrading of highways. A Property Development Fund will also be made available to support the viability of private sector schemes to develop buildings in the Enterprise Zone.
- 1.2 The portfolio of projects meets the requirements of recommendations arising from reviews into the City Deal, while also representing a first stage response to the climate change emergency declared by the Welsh Government in April, 2019.
- 1.3 The programme will develop over 18,000 square metres of business space, primarily to meet evidenced demand from small to medium sized businesses, while providing the technological platforms essential for them to grow.

2. Financial Implications

- 2.1 The procedures around the management of City Deal Funding is detailed within the Joint Committee Agreement.
- 2.2 If any further funding conditions are to be imposed on the release of City Deal monies by UKG and WG, these will be considered and reported to Joint Committee.
- 2.3 Risks will be managed through monitoring and evaluation at both project and programme level and reported, via the Regional Office, to the Joint Committee where appropriate.
- 2.4 Current scrutiny of the financial tables has been undertaken at the lead authority level.

3. Legal Implications

- 3.1 Project leads will be responsible for managing legal requirements associated with the project.
- 3.2 Any programme level legal requirements will be managed by the Accountable Body in accordance with the arrangements set out in the Joint Committee Agreement.
- 3.3 No City Deal monies will be released until a funding agreement is in place with the project lead.

Background Papers: None

Appendices:

Appendix A – Programme Business Case

Appendix B – Programme Business Case Summary

Appendix C – Programme Gantt Chart

Appendix D – Cost Benefit Analysis

Appendix E – Potential Economic Impact – Technical Note