

Communities, Homes and Regeneration Scrutiny Committee
16th April 2024

Subject:

Pentre Awel Progress Report

Purpose:

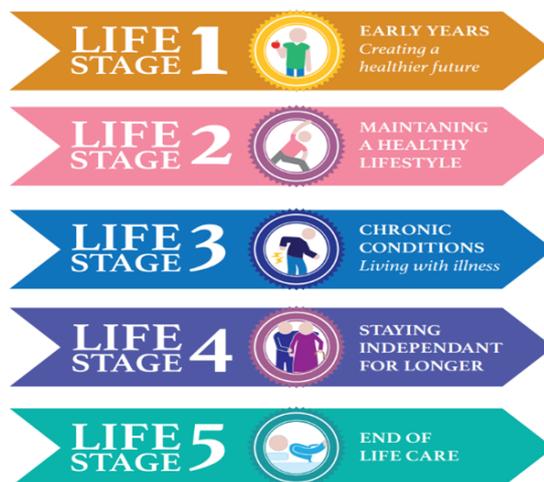
To provide an update surrounding progress of the project.

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Background and introduction:

Pentre Awel is a multi-million pound economic regeneration development across 83 acres of land in south Llanelli. Led by Carmarthenshire County Council, it will create new landmark infrastructure providing facilities for business, research, education, community healthcare, leisure and assisted living and establish an 'ecosystem' for life sciences.

The project is partly funded through the Swansea Bay City Deal. Benefits include the creation of 1,853 jobs over the life-time of the funding (up to 2032/33), health focused education and training opportunities, and improved population health and wellbeing across all 5 stages of life, namely:



Also benefiting from synergies of the Swansea Bay City Deal Campuses project, Pentre Awel will create a strong platform to build on health and wellness across the city region.

The overall site masterplan is set out below.



Zone 1 Construction:

Construction on site is on track under our principal contractor, Bouygues, with Zone 1 due to be handed back in October of this year. At the time of writing the report (5th April 2024), we are over half way through the construction phase in week 60 of 89 weeks and the steel frame is now complete. Construction is approximately 2 weeks behind schedule, due to the ongoing adverse weather in late 2023. Bouygues is however doing everything possible to bring this back on track, working over weekends to bring the programme back to timescale. However, the contingency time that Bouygues had in the contract has already been used.

The below pictures show the latest activity on the site.





Zone 1 Activity/Tenancies:

Zone 1 of the development, which benefits from c. £96m of public and private sector investment, will comprise the following:

- An enhanced leisure offer, relocating the existing Llanelli Leisure Centre to the new Pentre Awel site. Working in partnership with Hywel Dda University Health Board, this offer will include a hydrotherapy pool for the benefit of residents with therapeutic needs in the local community. We are in ongoing discussions with the Health Board about the operational and maintenance requirements of the pool, with a view to finalising an agreement surrounding the day-to-day management. Work is underway to consider the future options for the existing Llanelli Leisure Centre site, in line with what would be permissible within planning restrictions.
- Swansea University's Health and Wellbeing Academy; the University has signed an Agreement to Lease for c. 480m² of education space. This part of the development is due

to be the first to open in September 2024. This will focus on alternative therapies such as chiropractic and osteopathy for example.

- Hywel Dda University Health Board's Clinical Delivery Unit delivering a range of therapy, nursing, and audiology clinics as well as research and development opportunities. We are now in the detailed design phase of this part of the development, and timescales for opening will be determined shortly and are anticipated during the first half of 2025.
- Potential Teach and Treat opportunities delivered in partnership between the Health Board and our University partners to include for example a dental and ophthalmology training facility.
- An education and training offer linked to vocational health and social care related skills with potential involvement from local higher education and further education providers.
- A range of office and unit space to support business start ups and established businesses which can add value to supporting people in the 5 stages of life.

The below picture gives an artist impression of what the completed building may look like:



Business and Innovation Plan:

In order to attract business start ups and established businesses to Pentre Awel, a Business and Innovation Plan has been drafted which sets out the business sectors that we are aiming to target. Business sectors will be targeted where either:

- 1) Activity is health, social care and / or wellbeing related
- 2) Or, activity contributes to the 5 Stages of Life

On this basis, 11 eligible business sectors have been identified as follows:

Pentre Awel Eligible Business Sectors	
Section	Industry / Sector
C	Manufacturing
I	Accommodation and food service activities
J	Information and communication
K	Financial and insurance activities
L	Real estate activities
M	Professional, scientific and technical activities
N	Administrative and support service activities
P	Education
Q	Human health and social work activities
R	Arts, entertainment and recreation
S	Other service activities

A working group has been established to take forward delivery of the Plan, and ultimately secure tenants for Pentre Awel. Marketing materials are also in the process of being designed to be sent out to relevant businesses. The Plan brings together the work of the 2 Pentre Awel related Shared Prosperity Fund projects. The first led by Swansea University is a successor to the former ERDF funded Accelerate project. The second is a partnership project between Cardiff University and Carmarthenshire County Council. Pentre Awel is also working in partnership with M-Sparc on Ynys Môn to deliver two Arfor funded projects which support business innovation and development. One project focusses on the development of an online platform to support businesses and the other focusses on the development of apprenticeships.

In addition, we are in the process of engaging a property agent to assist us with sourcing prospective tenants in line with the key business sectors.

In order to support the delivery of the Business and Innovation Plan, work continues on the development of the 'living laboratory/real world testbed' unique selling point of Pentre Awel. The idea behind this is to create a community of individuals living in their own homes who, with the right consent and ethical considerations, companies can work with to trial new products and innovations before they are brought to market. Whilst eventually this will be possible on the Pentre Awel site itself once future zones are operational, there is a need to create a solution in the interim. There is scope to do this via our own in-house client base from a residential care, domiciliary care and Delta Connect perspective, as well as in partnership with healthcare providers in the area.

Zone 1; Operational Running:

Work is progressing to look at the very practical side of running Zone 1 from a facilities management perspective. An Operational Group has been established which is meeting fortnightly to run through this detail. It has already been agreed that the in-house Leisure Division will operate the café in the Street area, but work is ongoing to scope out how the day-to-day operations, tenancy management and practical arrangements will work in practice. This may require some ongoing revenue investment, but every opportunity is being made to relocate existing teams to perform the necessary functions from Pentre Awel to keep costs to a minimum. The exact details of any investment needed will be worked through once it is clear whether any additional staffing resource is needed.

Zones 2, 3 and 4:

Further work is now being undertaken on Zones 2 and 3 to further scope what will be built within them, taking account of population need and demand, which has changed following the Covid pandemic. In summary, each zone will entail as follows:

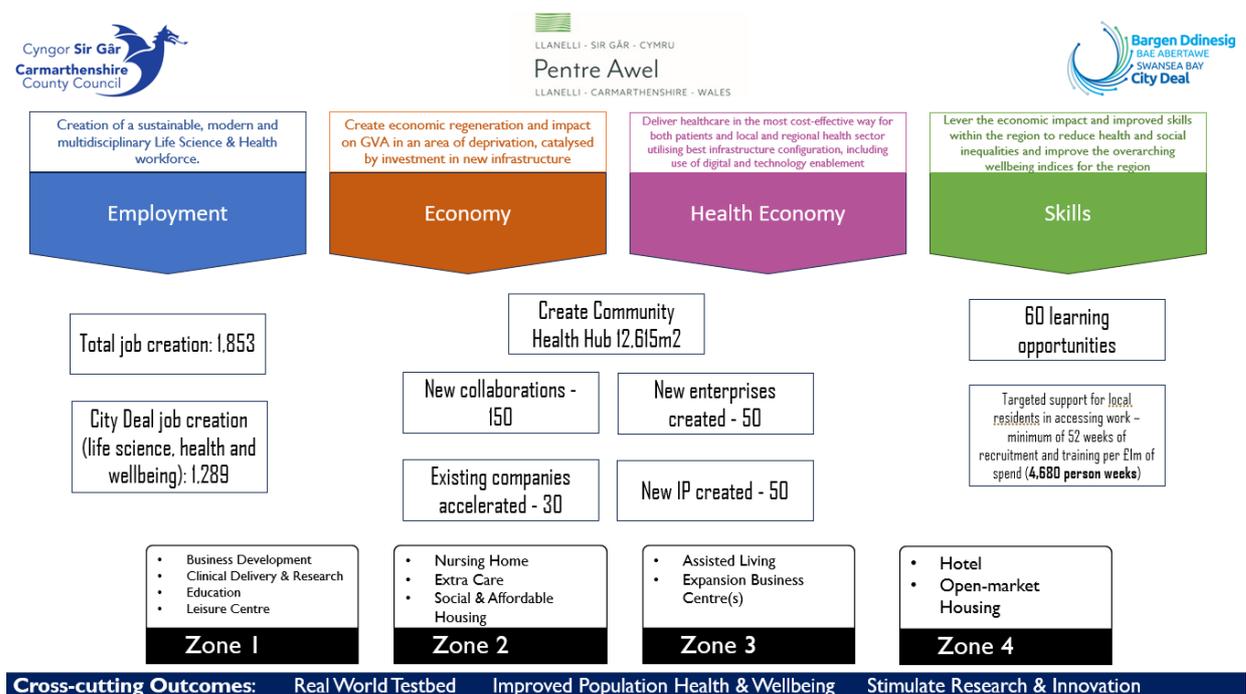
- Zone 2 will include a public sector led nursing home; Counsel advice has now been received which has indicated that there is no legal barrier to a Local Authority running a nursing home. Whilst a Health Board would be legally able to operate a nursing home, they would not be able to generate income from residents which would make it a non-financially viable model. Further feasibility work is now being undertaken to look at viability of potential delivery models.
- Zone 3 will include an assisted living development, maximising the use of assistive technologies and the option for outreach care to be provided by the nursing home. There will also be larger business units for business start ups in Zone 1 to move onto when they grow and develop.

Work is now progressing to establish the timeline for Zones 2 and 3 and look at the options for delivery.

Zone 4 will include a hotel development of up to 120 bedrooms and further housing. At the time of writing the report, the Council was due to go out to the market imminently through a competitive dialogue procurement process for a development partner to take forward the hotel development.

City Deal Outputs and Community Benefits:

In securing the City Deal financial support, there is a commitment to deliver a range of outputs related to the Pentre Awel development. These must be achieved by 2032 and are summarised below.



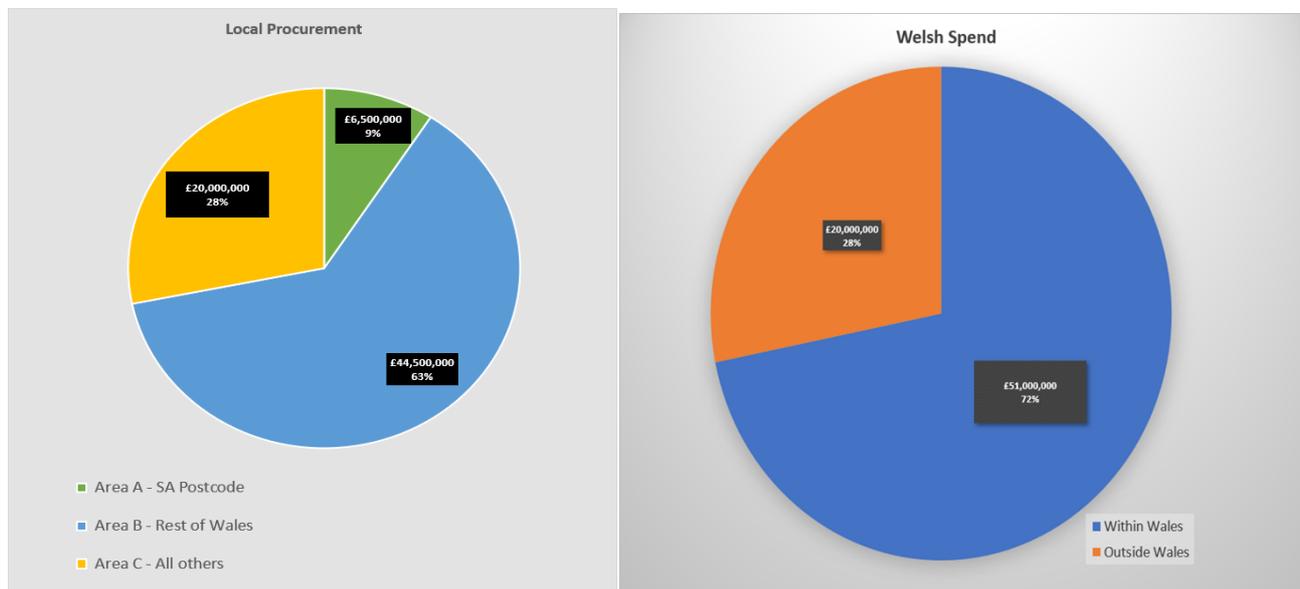
During the construction phase, Bouygues is committed to delivering a range of community benefits which contribute to achieving these outputs. The construction phase is focussed on maximising the creation of local jobs and employment opportunities, taking advantage and supporting the local supply chain as well as engaging and actively involving the local community.

As of 31st March 2024, benefits include:

- 40 new entrant jobs created
- 31 apprentices/shared apprentices
- 4 graduates
- 22 trainees
- 5 work experience (in education).
- 2,212 person weeks of Targeted Recruitment and Training
- 605 pupil interactions achieved, in addition to 106 hours of schools engagement.

Engagement of local schools and our newly recruited community ambassadors is critical to the success of the project. Of particular note is the Real World Learning Project that Bouygues undertook with local schools. Groups of children were asked to design a room in Pentre Awel, with support of a mentor from Bouygues. This culminated in an event to judge the best design in November 2023. More details can be found at the following link [Students Pitch at Skills Event Dragon's Den Style - Bouygues UK \(bouygues-uk.com\)](https://www.bouygues-uk.com) .

There has been a significant focus by Bouygues on maximising the local supply chain and consequently the economic benefit to the Welsh and Carmarthenshire economy. The following charts show the % spent across Wales as well as more locally in the SA region.

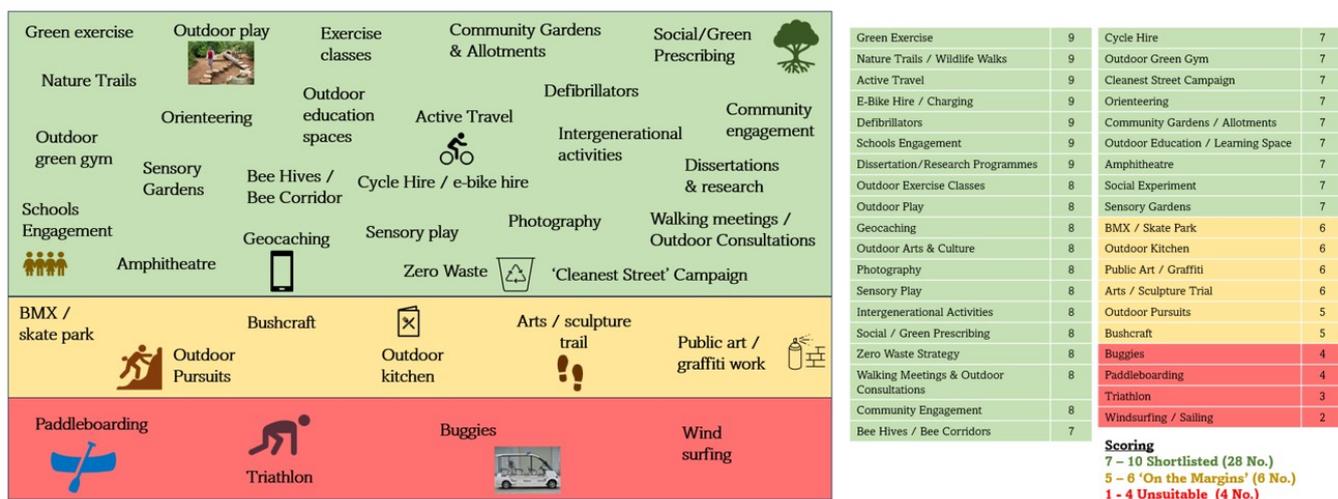


Bouygues has procured services through a number of local companies including Owens Group, Dyfed Steels, Shufflebottom, Dyfed Recycling Services, HAC Group and Redsix Partnership Ltd.

We have been working with The Centre for Local Economic Strategies to develop a model to robustly calculate the benefit to the Carmarthenshire economy from the Pentre Awel development. This is work in progress, but we will soon be able to share figures in relation to this, and it will

provide a blueprint to work from for future developments in the County. This model will provide a monetary value to for example local jobs created, as well as how the Carmarthenshire pound is maximised through local suppliers.

In addition to the economic benefits, Pentre Awel has scope to be a significant asset for the local community. Work is consequently underway to look at how the vast outdoor space can be maximised to the greatest benefit of the community. The shortlist of potential activities is shown below. Work will now progress to look at how the shortlist can be taken forward for the tangible benefit of the community.



We are mindful that the original Full Business Case that was used to secure the funding was finalised in 2020. We will shortly be refreshing the Full Business Case to bring it up-to-date. As part of this, we will review the original outputs identified to ensure that they have stood the test of time, and are achievable by 2032/33.

Communications:

A communication plan is in place to support delivery of the project. In conjunction with Bouygues, we are aiming to release 4 press releases a month to highlight ongoing construction activity and we will start to shift to a greater focus on opening and promotion of the range of future services/activities on site.

The site hoarding is due to be refreshed shortly, and we are working with Coleg Sir Gâr students to design new hoarding aligned to the Wellbeing Goals within the Future Generations Act.

The Topping Out event took place on 29th February 2024, which marked a significant milestone in the project, and an opportunity for partners to celebrate progress to date and reaffirm their commitment to the project.

We continue to update the webpages on an ongoing basis with progress photos, as well as a timelapse video which helps to capture progress on site [Pentre Awel \(gov.wales\)](https://www.gov.wales).

We are also in the process of reviewing the branding for Pentre Awel, and starting to work through the detail of how partner brands will work with the Pentre Awel brand on site. As part of this, we are looking at the directional signage and wayfinding so that the customer is easily able to navigate the site.

Key risks and priorities for the coming months:

A comprehensive risk register is maintained for the project, and risks are escalated to the Project Steering Group and Board as required. The key risk remains surrounding securing sufficient tenants to generate sufficient revenue to allow the business case to be realised. However, it is not unusual for tenancies to not be filled at this stage in the construction process. Prospective tenants are more likely to sign intentions to lease when they can see the end product that they are signing up to. The above report is intended to provide assurance that work is in progress to secure tenants, and every avenue is being explored to do so.

The key priorities over the coming months are as follows:

- Progress with securing the education and training offer at Pentre Awel.
- Delivery of the Business and Innovation Plan, and working with the property agent to secure prospective tenants.
- Further developing and progressing the proposals for Zones 2 and 3.