

Cyd-Bwyllgor Dinas-Ranbarth Bae Abertawe

Lleoliad: Cyfarfod Aml-Leoliad - Ystafell Gloucester, Neuadd y Ddinas / MS Teams

Dyddiad: Dydd Iau, 11 Mai 2023

Amser: 10.30 am

Cadeirydd: Cynghorwyr Rob Stewart (Cyngor Abertawe)

Aelodaeth:

Cynghorwyr:

Councillor Steve Hunt	Cyngor Castell-nedd Port Talbot
Councillor Darren Price	Cyngor Sir Gar
Councillor David Simpson	Cyngor Sir Benfro

Cynrychiolwyr Cyfetholedig Heb bleidlais:

Maria Battle	Bwrdd Iechyd Prifysgol Hywel Dda
Paul Boyle	Prifysgol Abertawe
Chris Foxall	Cadeirydd dros dro Bwrdd Strategaeth Economaidd Abertawe
Yr Athro Medwin Hughes	Prifysgol Cymru y Drindod Dewi Sant
Emma Woollett	Bwrdd Iechyd Prifysgol Bae Abertawe

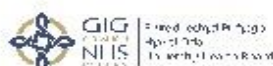
Gwyltio ar-lein: <https://bit.ly/3HcpRjU>

Agenda

Rhif y Dudalen

- 1 Ymddiheuriadau am absenoldeb.**
- 2 Datgeliadau o fuddiannau personol a rhagfarnol.**
www.abertawe.gov.uk/DatgeluCysylltiadau
- 3 Cofnodion.**
Cymeradwyo a llofnodi, fel cofnod cywir, gofnodion y cyfarfod blaenorol.

1 - 3



4 Cyhoeddiad/Cyhoeddiadau'r Cadeirydd.

5 Cwestiynau gan y Cyhoedd

Gellir cyflwyno cwestiynau'n ysgrifenedig i'r Gwasanaethau Democritaidd Democratiaeth@abertawe.gov.uk hyd at ganol dydd y diwrnod cyn y cyfarfod. Bydd cwestiynau ysgrifenedig yn cael eu blaenoriaethu. Gall y cyhoedd ddod a gofyn cwestiynau'n uniongyrchol os bydd amser. Rhaid i gwestiynau fod yn berthnasol i'r eitemau ar ran agored yr agenda ac ymdrinnir â nhw o fewn cyfnod o 10 munud.

- | | | |
|----------|--|----------------|
| 6 | Monitro Portffolio Chwarterol Bargen Ddinesig Bae Abertawe. | 4 - 43 |
| 7 | Dyraniad Dros Dro o £5.3m o Gronfeydd Bargen Ddinesig Bae Abertawe a Rhaglen Cefnogi Arloesedd a Thwf Carbon Isel Bargen Ddinesig Bae Abertawe - Cyfleuster Cynhyrchu Gweithgynhyrchu Uwch - Crynodeb o Ddiwygiad y Prosiect. | 44 - 51 |
| 8 | Adroddiad Buddsoddiad/Cyfraniad y Sector Preifat. (Er gwybodaeth) | 52 - 74 |
| 9 | Blaenraglen Waith y Cyd-bwyllgor. | 75 - 79 |

Cyfarfod nesaf: Dydd Iau, 27 Gorffennaf 2023 am 2.30 pm

Huw Evans

Huw Evans

Pennaeth y Gwasanaethau Democritaidd

Dydd Iau, 4 Mai 2023

Cyswllt: Gwasanaethau Democritaidd (01792) 636923

Agenda Item 3

City and County of Swansea



Minutes of the Swansea Bay City Region Joint Committee

Multi-Location Meeting - Gloucester Room, Guildhall / MS Teams

Thursday, 6 April 2023 at 10.30 am

Present: Councillor Rob Stewart (Swansea Council) Presided

Councillors:

Steve Hunt	Neath Port Talbot Council
Paul Miller	Pembrokeshire Council
Darren Price	Carmarthenshire County Council

Co-opted Non-Voting Representatives:

Chris Foxall	Chair of Swansea Economic Strategy Board
Emma Woollett	Swansea Bay University Health Board

Officers:

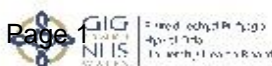
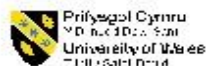
Richard Brown	Head of Environmental Services & Public Protection (Pembrokeshire Council)
Sharon Burford	Carmarthenshire Council
Jonathan Burnes	Director (Swansea Bay City Region)
Karen Jones	Chief Executive (Neath Port Talbot Council)
Allison Lowe	Swansea Council
Tracey Meredith	Joint Committee Monitoring Officer (Swansea Council)
Chris Moore	Joint S151 Officer (Carmarthenshire Council)
Martin Nicholls	Chief Executive (Swansea Council)
Phil Ryder	Swansea Bay City Region
Wendy Walters	Chief Executive (Carmarthenshire Council)
Ian Williams	Swansea Bay City Region

Apologies for Absence:

Councillor(s) David Simpson (Pembrokeshire Council)
Paul Boyle (Swansea University)

50 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct no interests were declared.



51 Minutes.

Resolved that the Minutes of the Swansea Bay City Region Joint Committee held on 2 February 2023 be approved and signed as a correct record.

52 Announcement(s) of the Chair.

The Chair congratulated colleagues in Neath Port Talbot and Pembrokeshire on their successful Celtic Freeport bids.

He also announced that the next tranche of funding amounting to £23m had been received for the year. He reiterated that the Swansea Bay City Deal remained the only region to have all its projects in a “live” status.

53 Public Questions

There were no public questions.

54 Pentre Awel Project Update. (For Information)

Dr Sharon Burford, Pentre Awel Project Manager presented a “For Information” report to inform Joint Committee of the progress made and status of the Pentre Awel Project.

In support of the published report she also shared a powerpoint presentation which included a short video.

Whilst this was a “for information” report, the Committee formally moved that it write to both the Welsh and UK Governments to highlight the inflationary construction cost pressures being encountered.

55 Swansea Bay City Deal Portfolio Business Case.

Ian Williams, Swansea Bay City Deal Portfolio Development Manager presented a report to provide Joint Committee with an updated City Deal Portfolio Business Case required for submission to Welsh and UK Governments.

He stated that very minor amendments had been made to the document but these were more reflective of the progression of the projects, the challenges of the current economic conditions and the maturing of governance arrangements rather than any fundamental changes of the makeup or viability of the business case.

Resolved that Swansea Bay City Region Joint Committee approves the Swansea Bay City Deal Portfolio Business Case attached at Appendix A for submission to Welsh and UK Governments.

56 Swansea Bay City Deal Highlight Report. (For Information)

Phil Ryder, Swansea Bay City Deal – Portfolio Office Manager presented a “For Information” report to update Joint Committee on the programmes / projects that form part of the Swansea Bay City Deal Portfolio as outlined in Annex A.

The meeting ended at 11.28 am

Chair

Agenda Item 6



Swansea Bay City Region Joint Committee - 11 May 2023

Swansea Bay City Deal Quarterly Monitoring Report

Purpose:	To inform Joint Committee of the SBCD Quarterly Monitoring Report for both the SBCD Portfolio and its constituent programmes / projects
Policy Framework:	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
Recommendation(s):	It is recommended that Joint Committee: 1) Notes the Quarterly Monitoring Report for the SBCD Portfolio and its constituent programmes / projects
Report Author:	Amanda Halfhide (SBCD Senior Portfolio Support Officer)
Finance Officer:	Chris Moore (SBCD S151 Officer)
Legal Officer:	Tracey Meredith (SBCD Monitoring Officer)

1. Introduction

- 1.1 SBCD Quarterly Monitoring Report for the SBCD Portfolio and its constituent projects provides the Programme (Portfolio) Board with a summary of key activity for the last 3 months and current quarter planned activity.

2. Background

2.1 Appendix A: Dashboard Quarterly Monitoring

A summary of all the Quarterly Reporting documentation. It was agreed by Joint Committee that the following components would be included in the initial iteration in quarterly monitoring dashboards:

Item	Theme	Update	Annex
1.	Programme / Project RAG Status	Skills Finance has moved from Amber to Green. Pentre Awel Finance reduced from Amber to Green following agreement of contract sum with Bouygues UK for Zone and prior approval at Full Council.	A / B

2.	Portfolio Delivery Timeline	Remains on track	-
3.	Portfolio Risk Register (Red Risks)	No change. 7 Red Risks	A
4.	Issues Log (Red Issues)	New Red Issue added around recruitment of SBCD Finance Manager	A
5.	Benefits Realisation	No change from last Quarter	C
7.	Change Management	Nothing raised this quarter	A
8.	Portfolio Gateway Action Plan	All recommendations complete	A
9.	Communications & Engagement	Part of Quarterly Monitoring Report	B
10.	Procurement Pipeline	Minimal change. Delivery Timeline part of Dashboard	A

2.2 Appendix B: The SBCD Quarterly Monitoring Report is made up of 2 levels with several components

- Portfolio
 - Communications and Marketing
- Programmes / Project
 - Scorecard with status summary
 - Previous quarter achievements and current quarter planned activities
 - Outputs

2.3 Appendix C: Benefits Realisation

The SBCD Benefits Register captures the annualisation of Portfolio benefits for Investment, GVA and Jobs that will be delivered up to 2032/33

2.4 Appendix D: Construction Impact Assessment

The purpose of the combined risk/issues assessment and impact assessment is to highlight and quantify the specific risks/issues currently being experienced throughout the construction industry. SBCD Programme Board and Joint Committee have requested that all programmes and projects assess their current status and ongoing monitoring with regards the potential impact these construction challenges will have on the successful delivery of the portfolio and the constituent programmes and projects. This will be presented in the form of a summary.

3. Financial Implications

3.1 There are no financial implications associated with this report. Portfolio financial monitoring will be reported separately through the Accountable Body.

4. Legal Implications

4.1 There are no legal implications associated with this report.

5. Alignment to the Well-being of Future Generations (Wales) Act 2015

- 5.1 The SBCD Portfolio and its constituent projects are closely aligned to the Well-being of Future Generations (Wales) Act 2015 and the seven well-being goals for Wales. These alignments are outlined in a Portfolio Business Case for the SBCD, as well as in individual project business cases.

Background Papers: None

Appendices:

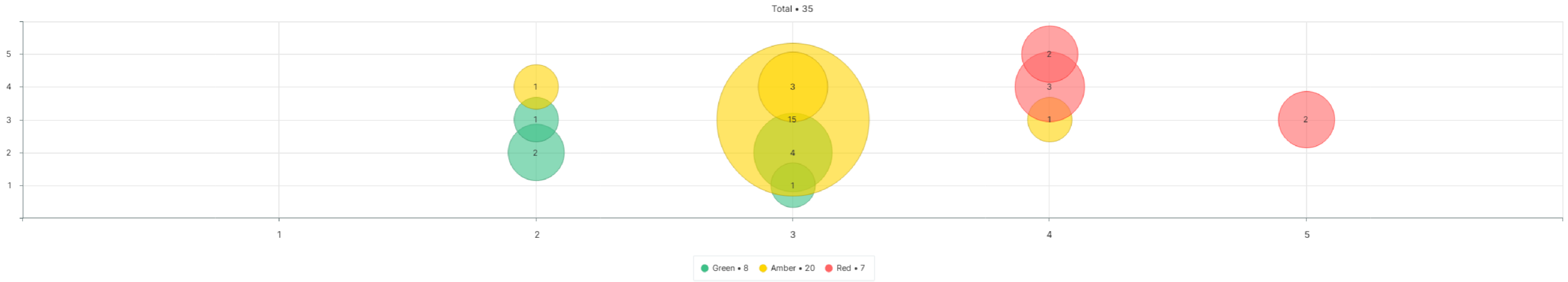
- A: Dashboard Quarterly Monitoring
- B: SBCD Quarterly Monitoring Report
- C: Benefits Realisation
- D: Construction Impact Assessment

Appendix A

SBCD Portfolio RAG Status						
Name ↑	RAG Delivery	RAG Scope	RAG Staffing/resource	RAG Finance	RAG Stakeholder Engagement	RAG Overall Rating
Campuses	Amber	Green	Green	Amber	Green	Amber
Digital Infrastructure	Amber	Amber	Amber	Amber	Amber	Amber
HAPS	Amber	Green	Red	Amber	Amber	Amber
PDM	Amber	Amber	Amber	Amber	Amber	Amber
Pentre Awel	Green	Green	Green	Green	Green	Green
SILCG	Amber	Green	Green	Green	Green	Green
Skills & Talent	Green	Green	Green	Green	Green	Green
Swansea Waterfront	Amber	Green	Green	Red	Green	Amber
Yr Egin	Green	Amber	Green	Amber	Green	Amber

SBCD Red Issues							
Issue ID	Date Ident...	Issue Rating	Name	Description	Owner	Escalation Re...	Follow on Actions
SBCD025	14 Feb 22	Red	Delay in funding agreements being approved	Delay in funding agreements being approved	Finance	No	Updates 30/09/22 8 out of 9 programmes / projects have now committed to the primary funding agreements Campuses currently being worked on with legal officers / partners with a view of being entered imminently. Secondary agreements currently being developed for Campuses, HAPS, Skills & Talent and Digital Infrastructure between Lead Authority and Lead Deliverer.
							19/12/22 Digital Infrastructure current status of secondary funding agreement is that it's been to legal colleagues and is now being finalised ready for signatory 31/03/23 Campuses project continues to be delayed currently with the Lawyers in Swansea University and Swansea Council. Resolution in place and due to be completed imminently. PoMO to chase status of 3 Regional Programmes / Projects and their funding agreements.
SBCD030	31 Mar 23	Red	Finance Manager	Time to recruit and onboard a replacement SBCD Finance Manager role is beyond expectation	PoMO	No	

Portfolio Risks



Red Risks

Name	Residual Risk	Description
Private sector funding contribution/s not realised in line with business case projections	Red	Risk that private sector funding is not realised as per portfolio business case projections that will impact on the deliverability of outputs and outcomes with specific connection to jobs target of the SBCD
Increase in cost of construction	Red	Risk that cost of construction may increase impacting on budgets set out in Programme / Project Businesses resulting in an overspend
Welsh Government 2021 update of TAN) 15 development risk of flooding, coastal erosion & associated flood planning maps.	Red	Proposed updates to the TAN and maps have recategorised the vulnerability of certain developments, increased the extent of the flood maps and the ability of land owners and local authorities to potentially achieve planning permission and ultimately develop land affected by the 2021 updates.
In Year Underspend	Red	Having undertaken a reprofiling and baselining exercise across the Portfolio, there is a risk of an in year underspend of circa 10% of the portfolio value, however this has no effect on the overall investment of the Portfolio or the wider benefits and deliverables.
Slippage in delivery of programmes / projects against key milestones	Red	As all City Deal Business Cases have now been approved the risk that City Deal doesn't achieve the outcomes intended within the timescales agree due to slippage in delivery of programme against key milestones resulting in borrowing and recuperation not accurately reflecting spend. Has been re-assessed following the closing of Risk ID SBCD013.
Prog/Proj delivering all outputs and outcomes within the business case	Red	Risk that programmes and projects will not deliver elements of the business case resulting in depleted benefits being delivered. Currently funding agreements ensure that programmes and projects are committed to the delivery of business case objectives through the delivery of the outputs, however some of the business cases rely on the outcomes in order to realise the benefits within them. It is a risk if both outputs and outcomes are not delivered upon, however if an output or outcome is not attempted then the organisation will have failed to use best endeavours
Pressure on construction industry to meet demand of City Deal and other public sector procurements	Red	Construction Industry reporting issues across supply chains especially recruitment and response to tender calls due to inflationary pressures and market volatility. Particularly regarding the amount of contracts likely to be issued over the next year.

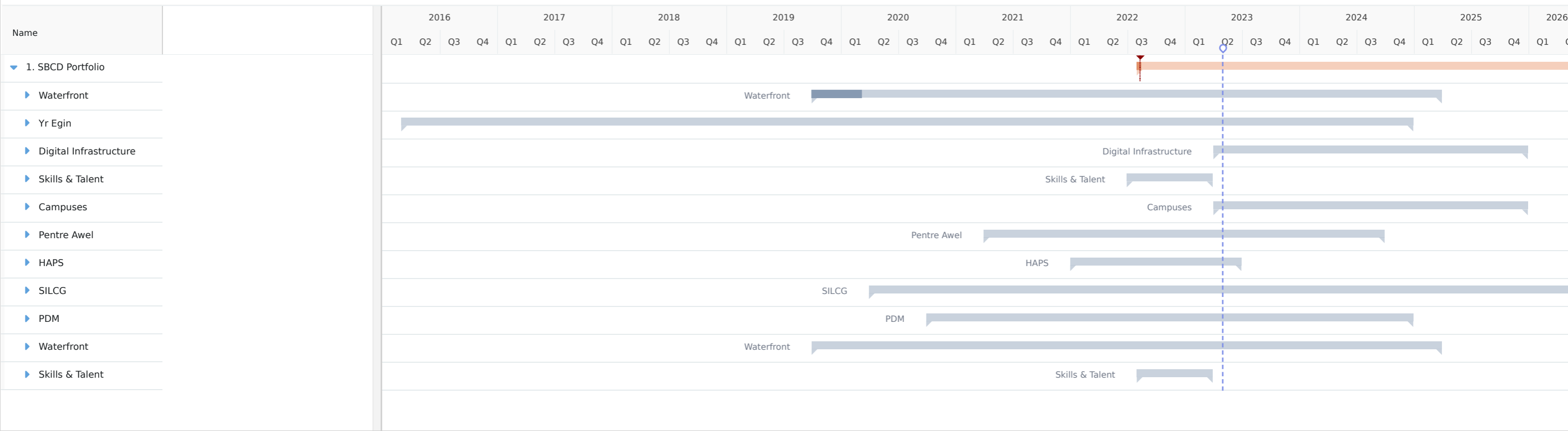
Active Change Requests

ID	Name	Description
004	PDM Confirmation of PDI Completion Date	Change Notification Confirmation of PDI Completion Date
003	Digital Infrastructure Change Notification	Change Notification Confirmation of Business Case Updates
002	Swansea Waterfront	Change Notification Update Completion Date Swansea Arena Update Planned Completion Date 71/72
001	Innovation Matrix Reprofile	Change Request Confirmation of Financial Reprofile Confirmation of revised Delivery Timeline

Portfolio Gateway Review Action Plan

Task ↑	Date	% Comp	Comments	Actual Start
Recommendation 1 - Ensure that individual Business Cases are maintained as live governance tools to keep pace with changing dynamics of the operating environment.	12 Jan 23	100%	1. Ongoing meetings between PoMO and programme / project leads re: development of business cases 2. Guidance on business case update process approved by Joint Committee on 10th November 3. Programme / project IAAPs being continually monitored and updated by PMs and reported quarterly to detail the business case updates schedule	10 Jan 23
Recommendation 2 - Embed active monitoring of costs across the Portfolio and map against the benefits profiles, to inform any downstream prioritisation or re-phasing options.	12 Jan 23	100%	1. Monitoring schedule for quarters 2,3 and 4 in place for 2022/23 2. PoMO actively engage with PMs and SROs on the change management process. Individual meetings held with all SROs to provide feedback on current reporting quality and provide suggestions for consistency	10 Jan 23
Recommendation 3 - Increase access to PoMO intelligence & data for individual Projects, to facilitate proactive analysis & options planning, tightening governance links	12 Jan 23	100%	1. P3M software procurement complete. Initial development of baseline information and templates ongoing. PoMO completed Celoxis training in December 2022 and are currently populating quarterly reports for Q3 2022/23 on to the system. Once quarterly reports have been fully uploaded, baseline set up will be complete and will allow project / programme leads to report and record information through the system from the start of Q4 2022/23. 2. Following rollout of P3M software to the programmes / projects, information should be received by the portfolio office in almost real time, allowing for quicker intervention 3. PoMO has updated governance arrangement schedule to all stakeholders in August. JC forward work plan to be updated and reported in September	10 Jan 23
Recommendation 4 - Enhance the clarity of reports and communications through increased use of plain, clear language and executive summaries.	12 Jan 23	100%	1. Review process initiated for SBCD governance groups. 2. October Programme Board instructed PoMO to review all reports and updates for accuracy, clarity and consistency. This was undertaken and individual meetings were set up with SROs throughout November. These meetings covered key areas and requirements for SBCD reports and a Summary Report has been prepared, highlighting key findings and is to be reported back to January 2023 Programme Board for information.	10 Jan 23

Project Status (Gantt)



Swansea Bay City Deal Portfolio

Quarterly Monitoring Report

(Jan - March 2023)

Appendix B

Programme / Project Scorecard							
Prog / Proj	Status Update	Delivery	Scope	Staffing Resource	Finance	Stakeholder Engagement	Overall (change)
Digital Infrastructure	Programme team have completed a benefits realisation exercise for 21-22 and are due to complete a similar exercise for 22-23 by the end of Q2 which quantifies the impact of the programme to date on connectivity of the region. The majority of staffing resources for the programme have now been successfully recruited with remaining posts currently out to advert. Stakeholders within UK and Welsh Government are fully engaged, working closely with the programme to ensure national, regional local connectivity projects are aligned. Telecoms providers have shown active interest in the programmes schemes and regional stakeholders remain fully committed to and engaged with the programme. However, competing demands and growing pressures within the public sector mean capacity to deliver at an organisational level is increasingly challenging however alignment to organisations transformation agendas ensure the programme continues to meet the needs of our partners.						↔
Pembroke Dock Marine	Overall and Finance Reduced to Amber, Cost increase has been included in Program Board papers. MHPA have concluded discussions with WEFO and are further along contract process. Given the uncertainty, there is still potential for cost uncertainty to impact project / program deliverables but will be updated and managed through project / program governance.						↔
Pentre Awel	<u>Delivery</u> – Remains Green following the execution of the NEC3 Construction Contract, entered into by Carmarthenshire County Council and Bouygues UK. Formal works commenced on 6 th February 2023 with piling works currently ongoing and to schedule. <u>Finance</u> – risk reduced from amber to Green following agreement of contract sum with Bouygues UK for Zone and prior approval at Full Council. Subcontractor packages now to be procured by BYUK. Lease agreements with proposed tenants for Zone 1 are progressing. Risks relating to build costs, inflation and materials are being managed by Bouygues and Gleeds.				↓		↔
Yr Egin	Increasing economic uncertainty and Covid implications impacting on levels and nature of demand. Following Phase 1 Lessons Learned exercise, an updated Creative Sector demand analysis has identified a significant change in the type of target companies (by financial size) and nature of provision required (bespoke support services rather than leased floorspace). Internal team putting in place process to identify required revisions to scheme to meet requirements of industry post-COVID. Project team now moving forward with Change Identification Notice for Egin Phase 2						↔
Campuses	Delays with the funding agreement have started to affect the timeline of the project. Work is currently being carried out to define an appropriate formal change request. Scope of the project remains unchanged as per the Business case however particular focus is on the affordability of the Phase 1 Singleton development and Morrison Management Centre. Mitigating actions formulated and pending project board approval. Delivery and finance amber due to funding agreement not being signed. Funding agreement meeting taken place between, city deal, Swansea Uni and Swansea Council. SU taking paper to internal finance and strategy board for reasonable endeavours sign off this month.						↔
Homes As Power Stations	HAPS Technical Co-ordinator appointed, commenced role Oct 22. Supply Chain first phase of work will commence with the support of OPUS BS Ltd. Business Case review commenced to ensure project realisation is up to date in view of economic changes. AAP Complete - Amber rating						↓
Supporting Innovation & Low Carbon Growth	Multiple projects in delivery namely SWITCH, AQMP, LEV,PDF, H2 stimulus project. Three tenants in place in BTC with active pipeline of enquiries being followed up. SWITCH Letter of Indemnity signed by both parties (SU & NPTCBC). Successful contractor being notified at time of preparing this update. PDF stage 1 process complete, companies invited to stage 2. AMPF enhanced project under discussion. SILCG Programme Board meets quarterly. PAR planning underway likely to be in September 2023. Delivery Amber due to pandemic delays etc but also learning from BTC construction has informed a revised timeline for construction. Lessons learned from BTC construction has helped inform future projects.						↔
Skills & Talent	Full project team recruited and in post. 9 Pilot projects already approved and moved/moving into delivery.						↔

Quarterly Monitoring Report

					↓		
Swansea City & Waterfront Digital District	Swansea Waterfront Business Case update has been signed off through Programme Board and Joint Committee. Gateway Review recommendations are being worked through with governance meetings between SC and UWTSD now set up. Discussions ongoing between Swansea Council & UWTSD about the delivery of the Innovation Precinct. Trinity projects - funding on red				↔		↔

Title	Portfolio Management Office (Communications & Marketing)	Reporting Period	Q4 2022/23
Officer	Heidi Harries (SBCD Communications & Marketing Officer)		

Key achievements

- 61 positive mentions in local, regional, national and specialist media. Previous quarter was 38 therefore up by 23 mentions. This included coverage on Wales Online, Western Mail the South Wales Evening Post, Wales Business Insider, Business News Wales, Wales 247, Inside Media, and specialist publications. Topics covered include: Progress of 71/72 Kingsway, Pembroke Port prepares for FLOW, City Deal portfolio recognised for positive impact, Regeneration at Swansea City Centre, Construction starts at Pentre Awel, Swansea Arena welcomes 240,000 visitors.
- Twitter posts - From 1st January to 31st March 'reach' was 97,035k – this is the number of people that saw the posts, engaged, clicked on, re-tweeted, commented or liked. Number of followers is 1,562.
- Facebook posts - From 1st January to 31st March 'reach' was 10,922 – this is the number of people that saw the posts, engaged, clicked on, re-tweeted, commented or liked. Number of followers is 1009.
- Coordinated the Business and Economy Round Table Discussion podcase and the Freeport podcast.
- Approval of Portfolio Communications and Marketing plan by Programme Board
- Initial wording draft of the Annual Report.
- Initial draft of the City Deal Leaflet including new strapline discussions and shortlist.
- Primary discussions and planning for the Pembrokeshire Showcase event.
- Attended the Pentre Awel Ground-breaking event.
- Represented the City Deal in the 4theRegion City Centre Conference, CEIC Conference and the Marine Energy Wales Conference.
- Press Release on 'The Award Winning Portfolio'
- Social posts on various events the City Deal has attended, 71/72 Kingsway developments, Award winning portfolio, Freeport decision, Arena visitor numbers, Swansea University pilot project for Skills & Talent.
- Attendance in ongoing Marketing and Communications subgroup meetings with the Pembroke Dock Marie project and Pentre Awel project.
-

Key Activities planned – October, November & December

- Complete the SBCD Annual Report for 2021 – 2022.
- Complete the City Deal leaflet.
- Create new City Deal branding and a slogan.
- Outline key milestones for each quarter for financial year 2023 – 2024.
- Attend the Innovation Matrix ground-breaking event.
- Finalise the regional City Deal event in Pembrokeshire and plan similar events in the other 3 counties.
- Attend a Marketing and Communications subgroup meeting for projects as possible.
- Prepare a UK Government and Welsh Government potential visit plan to include 71/72 Kingsway, Skills & Talent and the Bay Technology Centre.
- Plan key objectives until the end of the calendar year.
- Continued updates on the website and social media.

Title	Portfolio Management Office (Business Engagement)	Reporting Period	Q4 2022/23
Officer	Peter Austin (SBCD Business Engagement Manager)		

Key achievements over the last 3 months

Support Programmes and Projects

Ongoing business engagement support for programmes and projects this quarter includes:

- Supported PDM / MEW with attendance at Senedd ORE event.
- Supported PDM at Ministerial visit to Pembroke Dock.
- Supported HAPS at a meet the buyer event in Parc y Scarlets with RSL's and LAs in attendance.
- Attended a Gwynt Glass meet the buyer event Parc y Scarlets, one of the FLOW commercial collaborations who presented opportunities arising from FLOW.
- Coordinated Second PL's Construction Sub group meeting with guest speaker Ed Evans from CECA

Events

This month was a busy month for events with attendances at:

- Social Business Wales annual conference.
- MEW2023 2-day annual conference at Swansea Arena.
- CEIC spring conference (Swansea Uni) at Swansea.com.
- Swansea City Conference with 4theRegion at Swansea Arena.

Ongoing work includes planning regional showcase events with progress being made on an event in July with Pembs CC, Haven Enterprise Zone and PDM partners.

Other activities include a review of marketing material and promotional materials for younger audiences and public consumption.

Support stakeholder groups

Support activities this quarter include ongoing attendance at CEIC and Princes Trust Digital Skills Pathway steering group meetings. Liaison with Business Wales, Antur Cymru and Cwmpas re supply chains and business opportunities arising from WG programs and SBCD activity.

Business Engagement

Engagement event activities this quarter include, attending:

- The SA1 Business Club Dylan Thomas Centre Swansea.
- 4the Region Social Value Event – online.

Several meetings this quarter with businesses:

- ongoing meetings with Waymaker / Pure Energy Wales Renewables Ltd. Private sector inward investment enquiry supporting Barry Hale CCC and WG.
- Introduction to Jess Morgan, new Head of Decarbonisation Pembs NPA .
- Paul Thorburn MD ReesWorx, re Campuses opportunities.
- Swansea University re forthcoming programme development.
- Jess Harrington, Make the Change Consultancy re portfolio opportunities.
- Wales Autoforum re programme synergies.

Economic Strategy Board

This quarter focussed on facilitating the ESB meeting at Pembroke Dock, including a presentation on the new port tug simulator, a site visit to see the progress at Pembroke Port and discussion group where PDM partners could discuss their individual areas with Board members.

Other work this quarter includes liaising with CJC Manager to facilitate discussions on external advisers and role of ESB and EARTH project Manager to facilitate ESB meeting to input to new website development.

Next meeting being planned for June in Neath Port Talbot.

Other Activity

Other activity this quarter included:

- Attending Joint Scrutiny Committee re Construction Costs Report.
- Finalising reports for Programme Board: Construction Cost Impact and Private sector investment report.
- Attending the national City and Growth Deal PMO meeting.

Ongoing Activity

- Business Engagement activities.
- Monitoring Portfolio procurement pipeline.
- Updating the PoMO Events planner.

- Responding to enquiries received via the City Deal email inbox and other avenues.
- Managing SBCD LinkedIn account.
- Support Comms & Marketing officer in promotion of SBCD.

Key Activities planned – Oct,Nov,Dec

Continue to support stakeholders, programmes and projects.
 Continue to engage with businesses.
 Continue support for ESB, noting next meeting scheduled for February '23
 Attendance at Welsh Business Show and Welsh Construction Show Oct 22
 Finalise reports for Prog Board Construction Cost Impact / Carbon Reduction Impact of portfolio / private sector investment report
 Continue planning for regional showcase events
 Support Comms & Marketing officer in promotion of SBCD

Project Title	Pembroke Dock Marine	Programme / Project Lead	Steve Edwards
Local Authority Lead	Pembrokeshire County Council		
Project Delivery Lead	Milford Haven Port Authority	Reporting Period	Q4 2022/23
SRO	Steven Jones		

Budget

Total Budget	£60.47m
City Deal	£28m
Public	£16.35m
Private	£16.12m

Description

This programme will place Pembrokeshire at the heart of UK and global zero carbon, marine and offshore energy innovation, building on the expertise of a marine energy cluster in Pembroke Dock. Facilities will be provided for marine energy innovators to build, test and commercialise their technologies. Project features include:

- Pembroke Dock Infrastructure (PDI) improvements
- A Marine Energy Engineering Centre of Excellence (MEECE)
- Marine Energy Test Area (META) developments
- The Pembrokeshire Demonstration Zone (PDZ)

Key achievements (Overall Objective ID shown in brackets)

PDI update

Lot 1

- Continued close monitoring of projected costs due to inflation/global supply issues following COVID and the current war in Ukraine.
- Demolition of Slipway 2 complete
- 85% demotion/removal of central section complete
- Pouring of concrete slabs to form new slipway base continues
- All x10 piles for workboat pontoons installed.
- Drainage works to timber pond complete.
- Services diversions underway.
- Timberpond 85% infill complete.
- Works for extension to slipway well underway with 36 of 70 precast planks placed.
- Electrical works to T Head 95% complete.
- Demolition T head structure 90% complete
- T Head gangway/walkaways and associated items fabricated, top deck to lower stairs installed.
- Notifications underway to update stakeholders/tenants impacted by works.

Lot 2 land remediation site – contamination removed from site, levelling of site 85% complete

- New drainage and diversions 55% complete
- Pouring of new concrete slabs commenced
- Hangar Annexes: Annex 1 M & E install has progressed as well as the electrical switchover from the original switchgear internal of the building to the new GRP enclosure. 1st fix carpentry has progressed as well as a coat of paint throughout. Lobby area is prepared for lift install. Annex 2 lime render is underway, 2nd fix carpentry and ME & E progressing well with WC and kitchen installed. Annex 3 ME 7 E and 2nd fix carpentry continues at a similar pace to annex 2. Externally to annex 3 the new bin store slab has been poured, oil separator installed and tarmac starting this week. Annex 4 continues with 2nd fix throughout. The lift has been commissioned and the tarmac to the parking started this week. Air tests have been completed and passed and the electrical commissioning started.

PDZ update

- Updated Short term output and legacy plan presented to WEFO at the end of January 2023.
- ERDF Article 125 Audit completed with no issues raised.
- Project schedule, risk register, and budget is being maintained and updated on a monthly basis.
- final delivery profile via contract variation.
- Stakeholder Management Plan drafted.
- Animation, Land Agent, Technical Specialist, Pre-Feed Technical Design & Summative Assessment and Research and Development Review procurements all awarded with work all in delivery.
- Concept Design final report fully delivered. Pre-Feed delivery on schedule to complete before Jun 23.
- Discretionary Advice Service confirmed appropriateness of Environmental Survey plans and PDZ Scoping Report Submitted to NRW.
- Re-issued Offshore Survey ITT returned compliant bids, have been evaluated with standstill letters issued.
- Landowners along potentially affected routes have been provided with an initial introductory letter and land agents following up.
- Market update delivered to stakeholders.
- Future Opportunity is returning responses from FLOW developers with broader interest from non-FLOW and R&D applications.

META update

- Successfully re-deployed our Research Buoy at the Dale Roads META test site, the Intelligent Moorings system as well as the Hexigone and Grafmarine panels have been installed and will be tested for the next 4 months.
- Attendance at Future Energy Wales
- Attended networking event hosted by Falck Renewables and BlueFloat in Cardiff.
- STEM activities with EESW, Pembrokeshire College and Welsh Valleys Engineering Project
- Attendance Floating Offshore Wind, Renewables UK, 12th & 13th October in Aberdeen.
- Attendance at Internation Conference on Ocean Energy, Ocean Energy System, 18th – 20th October 2022, San Sebastian, Spain, also presented a poster.
- Attendance at Energy Industries Council – The Celtic Sea Floating into a new Era

- Completed the procurement process and issued a PO for an X-Band RADAR system which we will install in the Haven Waterway. This will be a key asset in our legacy operation, and will allow us to build expertise in short term weather window assessment for offshore operations and other novel uses for X-Band radar technology.
- Completed the procurement processes for a range of underwater noise measurement hardware and modelling software. These assets will underpin development of subsea noise expertise for MEECE going forward.
- Completed a first round of wind tunnel measurements at Swansea university as part of our Vortex Generator project, which seeks to prove that innovative vortex generators attached to wind turbine blades can improve annual energy production on large turbines by up to 5%. Future work will involve live testing on OREC's 7MW turbine at Levenmouth in Scotland.

MEECE update

- Rebecca Jeffrey presented at a Selkie Supply chain event in North Wales and advertised the MEECE program and potential future programs.
- Rebecca Jeffrey and Paul Ellsmore attended an Innovate UK hydrogen funding Matchmaking event in Manchester, with a view to helping a MEECE client company bid for follow-on funding.
- Paul Ellsmore presented at the Floventis Supply Chain event in Llanelli.
- Paul Ellsmore attended the South Wales Industrial Cluster (SWIC) launch event in Cardiff
- Marine Energy Wales Working Group, Angel Hotel, Cardiff, 25th January 2023 - Magnus Harrold attended the working group and gave an update on MEECE activities.
- The Celtic Sea Developers' Alliance, Floating Wind in the Celtic Sea, The Senedd, Cardiff, 25th January 2023 - Magnus Harrold attended this event to learn how members of the Senedd can support the floating offshore wind sector to maximise the opportunities for Wales.
- PDM partners hosted a Economic Strategy Board visit, providing an update on the 4 projects and discussing barriers to delivering similar projects in the future (various funding streams were discussed.)
- Attended the MEW Conference – participated in panel sessions, hosted a side room event, had 1:1 meeting room, shared posters and case studies.
- Paul Ellsmore attended supply chain events hosted by Blue Gem and RWE UK, and attended a visit by the Secretary of State for Wales.
- Paul Ellsmore was on the Judging Panel for DP Energy's Renewable Energy Competition, run and hosted by Pembrokeshire College
- Paul Ellsmore and Marie Kelly attended a workshop in Bristol supporting a joint bid for funding through UKRI's Place Based Impact Accelerator Account.
- MEECE supported funding bids into the North Wales Growth Deal; a major Horizon Europe call on tidal stream; and a bid into an I-UK call on hydrogen.

Key Activities planned

- PDI**
- Lot 1:
- Complete demolition of central section and complete concrete slab to 2/3rd slipway width
 - Flip BAU operations from west to new east side
 - Commence demolition of slipway 1 and construction new slab for west side
 - Complete manufacture of workboat pontoons, commence delivery to site for on land M&E fitout followed by berthing to final positions.
 - Complete demolition T Head structure and place all walkways/gantries.
 - Continue filling timber pond
 - Complete works to slipway extension
- Lot 2
- Continue levelling of site, placing of new drainage and continue concrete pour.
 - Hangar annexes
 - Completion and certification of Annex 2
 - Delivery and application on new Sto render system
 - M & E commissioning Annex 2 & 3

PDZ

- Re-profile ERDF funding phase with WEFO.
- Compliant delivery of all ERDF outputs by project closure Monitoring & Evaluation Review
- Agree Business Case Addendums with all funders and TCE in Q3 (Calendar 2023)

MEECE

- Attendance at All Energy, 10th – 11th May 2023, Scottish Event Campus, Glasgow
- Attendance at Wind Energy Science Conference, 23rd – 26th May 2023, The University of Strathclyde, Glasgow
- Attendance at Equinor supply chain event organised by OREC
- Three Roadshows, across Wales in conjunction with Sat Apps Catapult, looking for Innovation in data networks and comms for offshore wind in the Celtic Sea.
- Continued support for the Celtic Sea Supply chain Cluster Board and activities.
- Support for and attendance at Haven Waterway Future Energy Cluster Senedd Event.
- Engagement with all PDM partners on opportunities arising from the Celtic Freeport announcement, and the opening of the FLOWMIS funding call.

META

- Deployment of test samples of novel (low carbon, low weight, incorporation of waste plastics) concrete at Quay 1 site, Cardiff University. Such materials have great potential within the very large construction future for Marine Renewable Energy devices.
- Deployment of test samples of scour protection for facilities and cables etc, with the specific aim of providing opportunities for enhanced biodiversity from such protection. Exocubes, East Pickard Bay.
- Deployment of novel facility to generate hydrogen on a floating barge. ERM Dolphyn, Quayside sites (and possibly Dale Roads)
- Attendance at Ocean Business 2023, Southampton, with a view to meeting potential META clients and “horizon scanning” technological developments.

Project Title	SBCD Campuses Project	Programme / Project Lead	Clare Henson
Local Authority Lead	City and County of Swansea		
Project Delivery Lead	Swansea University	Reporting Period	Q4 2022/23
SRO	Keith Lloyd		

Budget	
Total Budget	£130.44m
City Deal	£15.00m
Public	£58.01m
Private	£57.43m
Description	
<p>The project harnesses unique capabilities and the thriving life science ecosystem in the Swansea Bay City Region to establish an international centre for innovation in life science, wellbeing and sport, supporting preventative interventions in healthcare and medicine and driving the growth of a globally significant Sports Tech industry. The project will deliver R&D, trials and testing facilities, enabling co-location of research and industry alongside clinical infrastructure and investment opportunities. An emphasis on digital and data-driven innovation at the intersection of life sciences, health, wellbeing and sport is a key differentiator for this project within the South Wales health and life sciences sector.</p>	

Key achievements
<ul style="list-style-type: none"> Continued workstream meetings held with WS1 Morryston Management Centre, WS2 Sketty Lane, WS3 Education, WS4 Enterprise and Innovation, WS7 Research, WS8 Health and well being WS9 Morrison Link Road Sketty lane engaging with stakeholder groups Continued discussions Primary Funding agreement. Amendments made regarding reasonable endeavors of phase 2 . Funding agreement going through SU governance boards, anticipated sign off end March 2023. Continued development of key business relationships and development of research and innovation collaborations WS9 – Morryston access Rd ecology surveys instructed.
Key Activities planned
<ul style="list-style-type: none"> Primary funding agreement approved. Secondary funding agreement to be drafted, reviewed and approved WS2 - Further develop building design for Sketty Lane with stakeholder engagement WS1 - Morryston Management Centre design stage to progress upon signing of secondary funding agreement WS5 - Visit by Vodafone UK senior leadership. Ongoing Tri party meetings between Ospreys, University and Council.

Project Title	Homes as Power Stations (HAPS)	Programme / Project Lead	Oonagh Gavigan
Local Authority Lead	Neath Port Talbot County Borough Council		
Project Delivery Lead	Neath Port Talbot County Borough Council	Reporting Period	Q4 2022/23
SRO	Nicola Pearce		

Budget	
Total Budget	£505.5m
City Deal	£15m
Public	£114.6m
Private	£375.9m
Description	
<p>HAPS is a regional pioneering project to facilitate the adoption of houses with energy efficient design and renewable technologies in both new build and existing housing stock in the public, RSL and private sector across the City Region. The project will support the implementation of renewable technology by facilitating collaboration across the region and creating a platform to share lessons learned. The Technical Monitoring and Evaluating contract will provide data and the ability to realise many of the projects benefits. HAPS will support a regional supply chain of proven technology to enable the wider benefits associated with the project.</p> <p>The project will:</p> <ul style="list-style-type: none"> • Facilitate the take up of renewable technologies and energy efficient design in new build and existing housing stock • Support a regional supply chain of proven technologies. • Establish an open access knowledge sharing hub to share the project findings with all sectors across the region and wider • Tackle fuel poverty • Further decarbonise the regional economy • Improve residents’ health and well-being 	

Key achievements
<p>Project Development</p> <ul style="list-style-type: none"> • Primary Funding Agreement in place (Between CCC and NPTCBC) • Inter Authority and Third Party Funding agreements in final draft • Project underwent a Peer Assessment Review (PAR) in July 22 – Amber/Red rating • Subsequent Assurance of Action Plan review (AAP) in Nov 22 – Amber rating • Staff – HAPS Technical Co-ordinator commenced role October 22. • Technical Monitoring & Evaluation contract awarded to Welsh School of Architecture (£1m). • Project Board agreed consultancy support for initial Supply Chain work, consultant appointed. (OPUS) • Pre-call notification/marketing in readiness to launching the Financial Incentives Fund • Successful in securing funding from MCS (Microgeneration Certification Scheme) to the total project value of £75k • Opus completed Supply Chain Mapping consultancy work
Key Activities planned
<p>Project Development</p> <ul style="list-style-type: none"> • Seek to re-advertise / recruit HAPS Supply Chain Lead to commence delivery of work outlined in consultancy report. • Launch Financial Incentives Fund • Continue to work closely with UK & Welsh Government to ensure the Optimised Retrofit Programme and ECO 4 Flex opportunities are maximised alongside HAPS funding. • Continue to gather information supporting Business Case Update – Economic Case. • Continue to plan stakeholder engagement and communication with support from Urban Foundry, Swansea • Continue liaison with Skills and Talent program to ensure opportunities to address skills shortages are addressed. • Continue to seek further funding opportunities to support the HAPS Benefits.

Outputs
<p>Project Outcomes</p> <ul style="list-style-type: none"> Facilitate the adoption of renewable technologies in 10,300 properties Develop a regional supply chain of HAPS related renewable technologies Technical Monitoring and Evaluation - determine the efficacy and impacts of renewable technologies on new build and existing housing stock Establish knowledge sharing hub for all sectors <p>Project Outputs</p> <ul style="list-style-type: none"> Reduction in energy use as a result of the additional technologies funded by HAPS for new build and retrofit homes, New build = £564 per home Retrofit = £758 per home by 2033 Reduction in greenhouse gas (GHG) emissions as a result of reduction in energy use, New build = £71 per home Retrofit = £99 per home by 2033

Supporting Innovation and Low Carbon Growth		Programme / Project Lead	Brett Suddell
Local Authority Lead	Neath Port Talbot County Borough Council		
Project Delivery Lead	Neath Port Talbot County Borough Council	Reporting Period	Q4 2022/23
SRO	Nicola Pearce		

Budget	
Total Budget	£58.7 m
City Deal	£47.7 m
Public	£5.5 m
Private	£5.5 m
Description	
<p>The Supporting Innovation and Low Carbon Growth (SILCG) programme has been developed to deliver sustainable growth and job creation in the Swansea Bay City Region, with a targeted focus on the Port Talbot Waterfront Enterprise Zone area. It aims to create the right environment for a decarbonised and innovative economy.</p> <p>The programme will support the green industrial revolution and will be delivered in partnership with industry, academia and government.</p> <p>The Programme of interlinked projects comprises:</p> <ul style="list-style-type: none"> Bay Technology Centre South Wales Industrial Transition from Carbon Hub (SWITCH) with Swansea University Hydrogen Stimulus Project with University of South Wales Air Quality Monitoring Project Low Emission Vehicle Charging Infrastructure Advanced Manufacturing Production Facility Property Development Fund 	

Key achievements

Project Development

- Attended 4 day Managing Successful Programmes course in February
- Presented to joint committee re SILCG
- Prepared papers for pre JC meet regarding unallocated funding for NPT
- SILCG PB met on 9th March
- Contributed to SBCD presentation for CEIC conference in March presented by Jon Burnes

Bay Technology Centre

- Further tenants signed up, three now on site occupying 11.56% of floor space, across 3 offices and one laboratory
- Continued promotion to attract tenants, Full page ad taken out in Insider Wales
- Hydrock video asked for permission to use on our NPT SILCG webpages and to show at future conference.
<https://www.hydrock.com/projects/bay-technology-centre>
- Submission made to APSE for 2023 awards under category 10- Best Climate Action or Decarbonisation initiative for the BTC will find out in May if shortlisted

SWITCH

- Tender evaluation undertaken by SU and NPT on 3 very high quality bids
- Decision reached on winning bid but have to wait until 21st April to announce following stand still period
- Letter of indemnity signed by SU and NPT indicating commitment to SWITCH building following lengthy and drawn out process over legal issues contained within the LoI.

Advanced Manufacturing Production Facility

- Meetings with Industry Wales to support pre market engagement event to develop the scope aligned to the needs of industry and engage potential operators – 4 online questionnaires developed around Powys
- Also provided supporting market info re manufacturing and skills gaps
- Meetings/visits with local centres to discuss existing provision
- Addressing skills element speaking to RLSP, Skills & Talent group – needs to be complimentary to existing provision not duplication

Property Development Fund

- Expression of Interest stage 14 applications received (heavily oversubscribed) – 13 invited through to Stage 1 formal application process
- Stage 1, 9 applications received, following 2 panel meetings 2 rejected, 2 on reserve list and 5 to be invited to Stage 2 (subject to minor clarifications)
- If all stage 1 submit stage 2 applications and are approved then only £13K over £4.5M budget, exceeded number of target categories
- Full report and final stage 2 approval by SILCG PB at next meeting

Hydrogen Stimulus Project

- Funding Agreement being reviewed by University of South Wales
- Since 1st December activity has been around site clearance and preparation for electrical and mechanical provision for the project. We are also looking at site security/ public protection and will be looking to enhance fencing shortly.
- Working with Protium Green Solutions on the installation of a 100kW electrolyser on site, which is now in the commissioning phase (additional green H2 available from start of project)
- During the quarter we have been awarded funds via the Welsh Govt HyBRID SBRI for a further project (attract additional funding part of H2 project)
- Further proposals for funding in the Hydrogen Space are currently being made via EPSRC Centre for Doctoral Training and Place Based Innovation Acceleration Account rounds

Air Quality Monitoring Project

- As part of the ongoing study, an update on the sensor network supplied by Ricardo has revealed an issue with five gaseous sensors. The conversion of raw sensor voltage to PPM has resulted in an unusual calculation. The data team at Vortex is currently investigating this.
- The detection of potential faults in several other gaseous sensors has been noted, but a physical inspection is needed to validate the issue. One PM sensor identified by NPT has been confirmed as needing to be replaced.
- 12 sensors have been collected following a period of co-location at Margam's Automatic Urban and Rural Network (AURN) site. These are currently on test rig awaiting their redeployment.
- Vortex is planning a maintenance day to tend to the sensors with known faults and data issues.
- Vortex monitors currently being considered for use in PM10 exceedance day source apportionment exercises, and to support investigations into other high concentrations of common pollutants.
- Ricardo are to continue QA/QC of the network and their Year 1 summary will be made available following the ratification of data.
- With support from Ricardo, the Vortex data is to be used alongside Port Talbot's other monitoring sites in PM10 breach day reports, to ascertain trends and source apportionment and at a local level.

Low Emission Vehicle Charging Infrastructure

- January 2023 main focus was the continued development of the Neath Port Talbot Zero Emission Vehicle Infrastructure Strategy (NPTZEVIS).
- NPT ZEVIS sets out our vision for EV charging in NPT and the enabling role NPT holds by working in collaboration with regional partners, commercial partners, communities and businesses within the NPT area.
- Contributing to stakeholder engagement workshop with BBNP Authority on their Net Zero Sustainable Transport Strategy and Action Plan
- Attending Swansea Bay Sustainable Travel Planning Meeting
- Attending the Western Gateway Hydrogen Working Group
- Attending an NPT Salary Sacrifice ULEV scheme workgroup
- Arranging a site visit to ClenergyEV HQ in Pencoed
- engaging with WG / TfW for guidance on an On-street Residential Chargepoint Scheme ORCS funding bid
- engaging with WG/TfW for guidance on Local Transport Fund rapid charging hub bid
- engaging with WG/TfW for guidance on compliant methodology for market research and cost estimation.
- Configuring a Rolec VendElectric back office system for the 5 x Rolec EV chargers at the Swansea Bay Technology Centre
- Trouble shooting non-functional EV chargers at Afan Forest Park Visitor Centre
- Contributing to regional ULEV Depot and Hydrogen Study led at NPT by Amanda Phillips
- Enter dialogue with GreenFleet UK with regard to hosting the Welsh GreenFleet round table event at NPT

Key Activities planned next Quarter

Project Development

- Given outcomes from JC and PB around unallocated funding, an OBC will be prepared around the new enhanced AMPF project
- SILCG Programme business case to be updated

Bay Technology Centre

- Organise official opening of the BTC with SoS for Wales and WG ministers in attendance
- Secure additional tenants
- Await outcome of the APSE shortlisting for 2023 awards
- Set up an RD&I meeting at BTC to support spinouts and start ups utilising existing tenants telling their story/journey
- Host ESB meeting on opening day

SWITCH

- Stand still period expires after midnight on 21/04 at which point the successful contractor will be made public
- Arrange a kick off meeting with contractor to discuss project
- Arrange a kick off meeting with contractor, NPT and SU to discuss design aspects of the SWITCH building
- Set up regular meetings with contractor over next 12 months design period

Advanced Manufacturing Production Facility

- Adapt questionnaires and send out end April to Industry/businesses, FE, HE, Schools, followed up by face-to-face event to discuss outcomes with interested parties
- Workshop organised for 4th May chaired by Industry Wales to discuss AMPF
- Meet with prospective operators to discuss AMPF
- Meet WG to discuss land issues

Property Development Fund

- Stage 1 applicants will be notified of the outcome of the review process
- Those invited to stage 2 will have face-to-face meeting with NPT to discuss requirements for stage 2 and establish if they still intend to submit to stage 2
- Deadline of 16/04 set for stage 2 responses to be submitted by (at the very latest)

Hydrogen Stimulus Project

- Funding agreement between NPT and USW to be signed off
- Continued commissioning of the electrolyser on site

Air Quality Monitoring Project

- Vortex is implementing a fix for the gaseous data identified as being flat, after one of the inputs to the calibration model was found to be out of tolerance. A general maintenance day has also been planned to tend to any faulty units.
- Vortex monitors have been recommended by Ricardo for use in PM10 exceedance day source apportionment exercises, and to support investigations into other high concentrations of common pollutants.
- Ricardo are to continue QA/QC of the network and their Year 1 summary will be made available following the ratification of data.
- Continued data gathering

Low Emission Vehicle Charging Infrastructure

- Nigel to arrange meeting with regional partners to understand regional EV/ZEV Infrastructure activity
- Undertake an internal mapping exercise across all departments to understand all EV/ ZEV infrastructure related activity ensuring co-ordination etc.

Outputs

Project component	Expected Outputs
Technology Centre	Construction of an energy positive hybrid commercial building (2500 m2) completed
SWITCH	Specialised open access facility created to enhance applied research for steel & metals industry (4000 m2)
	Provision of specialised equipment to enhance research for steel & metals industry
Hydrogen Stimulus Project	Increase the capacity for hydrogen production at the Hydrogen Centre at Baglan Energy Park
Air Quality Monitoring Project	Procurement & installation of 70 sensors in and around the Port Talbot Air Quality Management Area (AQMA)
LEV Charging Infrastructure	Regional strategy for LEV charging
Advanced Manufacturing Production Facility	Specialist hybrid facility providing a range of industrial / production units with pilot line and office space. (4000 m2)
	Provision of open access specialist equipment advised by industry with academia input
Property Development Fund	Property Development Fund targeted on the Port Talbot Waterfront Enterprise Zone (expected premises created 6000 m2)

Project Title	Pentre Awel	Programme / Project Lead	Sharon Burford
Local Authority Lead	Carmarthenshire County Council		
Project Delivery Lead	Carmarthenshire County Council	Reporting Period	Q2 2022/23
SRO	Chris Moore		

Budget	
Total Budget	£199.19m
City Deal	£40m
Public	£51
Private	£108.19
Description	
<p>Proposed for an 83-acre site at Delta Lakes in Llanelli, Pentre Awel will be the first development of its kind in Wales. The project will include the co-location of academic, public, business and health facilities to boost employment, education, leisure provision, health research and delivery, and skills and training.</p> <p>City Deal will provide the requisite investment for business incubation and acceleration facilities, laboratory space, testbed capabilities, a well-being skills centre, clinical research centre and a clinical delivery centre to deliver multi-disciplinary care closer to home. The design for Zone 1 will create an ‘ecosystem’ by facilitating joint working across traditional boundaries, integrating education and training programmes within a clinical setting and fostering interface between health and leisure for the benefit of population health.</p> <p>Pentre Awel will include state-of-the-art leisure centre funded by Carmarthenshire County Council.</p> <p>A network of integrated care and rehabilitation facilities will also be provided on site to enable the testing and piloting of life science technologies aimed at enhancing independent and assisted living.</p> <p>Assisted living accommodation will also feature, along with a nursing home, expansion space for businesses, elements of both open market and social and affordable housing, and a hotel.</p>	

Key achievements in Q4 2022/23
<p>Project development</p> <p>Zone 1 construction update:</p> <p>A comprehensive pre-construction programme was completed in January 2023. Following approval at CCC Cabinet and Full Council, CCC and BYUK entered into a NEC3 construction contract in February 2023. Works commenced onsite 6th February 2023 with an 89 week construction programme agreed. Accordingly, full completion is targeted for October 2024 with sectional completion of some educational facilities in September 2024.</p> <ul style="list-style-type: none"> • A groundbreaking event was held onsite 6th March 2023 attended by David TC Davies MP, Secretary of State for Wales, local and Cabinet members and project stakeholders • Meet the Contractor event held for local residents at Morfa Social Club on 29th March 2023 with interest expressed in the training opportunities at Pentre Awel • BYUK deliverables for TR&T now formalised within the construction contract - a minimum of 4,680 person weeks will be delivered. There will be with regular reporting of activity and outcomes via the SWWRCF, WG Toolkit and Social Value Portal • During the pre-construction stage Bouygues has delivered 1000+ pupil interactions, 30 hours of STEM engagement and welcomed 350 pupils to its Believe Academy <p>Project Update:</p> <ul style="list-style-type: none"> • Whole-site operational group established with a subgroup specifically looking at facilities management. Along with Construction Board, this will report to CCC Steering Group

- Welsh Language Action Plan and Impact Assessment has been developed outlining opportunities to use and promote Welsh across all elements of Pentre Awel – leisure, business, education, assisted living, communications and procurement. Plan submitted to Welsh Language Strategic Forum
- First draft of EST mapping exercise completed in partnership with RLSP Skills & Talent – using the baseline of current course information to identify gaps in skills and consequent mapping against opening and steady state operation.
- Shared Prosperity Fund (SPF) bid submitted with the aim of securing pump-priming resource for business and innovation at Pentre Awel
- Confirmation received of £1.2m from PNC Bank (JC Williams Trust) for hydrotherapy pool funding
- Appraisal of a longlist of outdoor projects and activities that could be delivered at Pentre Awel
- Lease agreements for Zone 1 in progress
- Business case under development with UWTSD
- Pentre Awel brand guidelines updated – 1) Pentre Awel logo now refers to Llanelli, Carmarthenshire and Wales following feedback from local businesses; 2) two-stage brand promotion strategy adopted

Key Activities planned Q1 2023/24

- Development and finalisation of Zone 1 design
- Issue 3 of Community Newsletter to be issued April 2023
- Hold a monthly Employment Hub onsite for candidates interested in current and future TR&T opportunities at Pentre Awel. The first Hub is scheduled April 2023 at Llanelli Job Centre whilst the site accommodation is erected
- Sign tenancy agreements with Hywel Dda UHB and Swansea University for their areas within the Zone 1 building
- Integrated Regional Care Fund (IRCF) application to be submitted to cover Hydrotherapy and Audiology, and fit out of research areas
- Mapping of ‘integration’ opportunities across health, leisure, education, research and business
- Present catering report to project Steering Group to confirm preferred operating model
- Education, Skills and Training leads to meet with FE and HE providers
- Complete research and innovation pathway detailing entry and referral points to optimise development opportunities.
- Further define whole site operating model. This describes the operating context for Pentre Awel and maps within the Authority structure
- Confirm the details business case for all Teach and Treat options.
- Complete RIBA Stage 2 design for zone 3 assisted living
- Progress scoping/modelling work for Zone 2.

Outputs

Output measurement will commence during the construction phase linked to the Community Benefits. Framework developed to ensure appropriate opportunities are maximised, the outputs will be managed by a multidisciplinary workstream which will link both with the construction management team and with the overall project management process.

Project Title	Digital Infrastructure Programme	Programme / Project Lead	Gareth Jones
Local Authority Lead	Carmarthenshire County Council		
Project Delivery Lead	Carmarthenshire County Council	Reporting Period	Q4 2022/23
SRO	Jason Jones		

Budget	
Total Budget	£55m
City Deal	£25m
Public	£13.5m
Private	£16.5m
Description	
<p>To significantly improve digital connectivity throughout the City Region for the benefit of businesses and residents, also helping to attract inward investment. The project is made of up of three Project workstreams:</p> <ul style="list-style-type: none"> • Connected Places • Rural connectivity • Next generation wireless (5G and IOT networks) 	

Key achievements
<ul style="list-style-type: none"> • Completed benefits realisation for 2021/22 which confirms significant public and private investment in the region which contributes to Digital Infrastructure Programme objectives. • Completed data analysis and stakeholder and market engagement as part of pause and review for connected places hub site procurement to ensure planned intervention continues to align to programme spending objectives and meets the needs of our partners • Established model and methodology for ongoing benefits realisation for the programme. • Developed programme overview video highlighting the ambitions of the programme. • Recruited co-ordinator to central DI Team. • Scoped opportunities for regional duct and dark fibre investment. • Identified opportunities for 5G investment and initiated discussions with key partners. • Established plans and timescales for significant Shared Rural Network (SRN) investment across the region working with UK and Welsh Government. • Supporting Local Authorities with ongoing Digital Infrastructure interventions and investment. • Market engagement with operators and suppliers ongoing. • Additional lobbying for, facilitating, and supporting of private sector investment.

Key Activities planned
<ul style="list-style-type: none"> • Complete recruitment of local resources and central Business Engagement & Communications officer to support delivery of programme. • Signatory of collaboration agreements between LA partners. • Update website and launch overview highlight video. • Launch Digital Portfolio of Opportunities pending Board approval • Arrange and conduct Gateway review • Supporting Local Authorities with ongoing Digital Infrastructure interventions and investment. • Programme risk mitigation ongoing. • Market engagement with operators and suppliers ongoing. • Additional lobbying for, facilitating, and supporting of private sector investment. • Hold launch event for Regional Digital Innovation Network in partnership with regional partners and Welsh Government • Conclude pause and review of connected places hub site procurement • Run rural pathfinder project utilising Welsh Government Local Broadband Fund. • Confirm plans for UK Government Project Gigabit investment in the region and identify preferred way forward to meet remaining needs across the region. • Confirm funding for initial 5G project(s) in collaboration with regional partners.

Outputs	
-	More public sector assets with gigabit capable FFTP connections
-	Increased, future proofed DUCT / asset infrastructure
-	Regional Innovation Network established
-	5G Testbed(s) deployed
-	More mobile infrastructure
-	Community based interventions delivered

Project Title	Swansea City & Waterfront Digital District	Programme / Project Lead	Huw Mowbray
Local Authority Lead	Swansea Council		
Project Delivery Lead	Swansea Council	Reporting Period	Q4 2022/23
SRO	Martin Nicholls		

Budget	
Total Budget	£175.35m
City Deal	£50m
Public	£85.38m
Private	£39.97m
Description	
<ul style="list-style-type: none"> To boost Swansea city centre’s economic well-being at the heart of the City Region’s economy, while retaining local tech, digital and entrepreneurial talent. This project includes: A digitally enabled indoor arena in the city centre for concerts, exhibitions, conferences and other events A ‘digital village’ development in the city centre to accommodate the city’s growing tech and digital business sector Innovation Matrix development at the University of Wales Trinity Saint David’s new Swansea waterfront campus to enable start-up company support and growth 	

Key achievements	
Digital Arena	
<ul style="list-style-type: none"> Arena has hit 12 months anniversary of opening with over 240,000 visitors attending since opening. SC project team continuing with final snagging works. Hotel: Progressing funding requirements with approval from WG to apply for Transforming Towns loan to bridge gap funding. In discussions with Visit Wales for a potential grant to complete the financial package. Design plans progressing well and HoT’s with preferred developer are being finalised. 	
71/72 Kingsway:	
<ul style="list-style-type: none"> Construction continuing onsite with groundworks now complete. The Contractor has updated the programme which now shows a completion date of end January 2024. The delay to the works is attributed to the basement waterproofing, obstructions in the ground and works to the existing basement retaining walls. Ongoing discussions regarding the claims made by BYUK relating to the groundworks, basements walls and waterproofing. Digital and data specialist knowledge is being utilised to facilitate the Digital infrastructure. 	
Commercials	
<ul style="list-style-type: none"> Flex tenant HoT’s advanced/final location in building agreed. In process of appointing Letting, Marketing and Branding agents. Management Strategy - planned Building Management Strategy/Service Charge in progress. 	

Key Activities planned

Arena

- Progress Hotel delivery options.
- Considering updating the economic benefit analysis.

71/72 Kingsway

- Construction continues on programme.
- Further detailed letting/operator discussions continue for 71/72 The Kingsway
- Digital connectivity currently being explored.

Outputs

Physical delivery of arena (circa 80,000 square feet with a 3,500-capacity), along with digital square is on track.

Physical delivery of 71/72 The Kingsway, which will comprise circa 115,000 square feet of office space.

Discussions on-going with UWTSO about their element of the project (Innovation Precinct).

Caveat: Covid 19 could have an impact on jobs and GVA.

Project Title	Yr Egin - Creative Digital Cluster	Programme / Project Lead	Geraint Flowers
Local Authority Lead	Carmarthenshire County Council		
Project Delivery Lead	University of Wales Trinity Saint David	Reporting Period	Q4 2022/23
SRO	Prof. Medwin Hughes (Vice Chancellor)		

Budget

Total Budget	£25.17m
City Deal	£5m
Public	£18.67m
Private	£1.5m

Description

To support and further develop the region’s creative industry sector and Welsh language culture, led by University of Wales Trinity Saint David campus in Carmarthen. Phase 1 was completed in September 2018 and features:

- National creative sector anchor tenants
- World class office space for local and regional creative sector SMEs, with opportunities for expansion
- Facilities for the community and business networking

Facilitating engagement between businesses and students as well as accommodating dynamic growth of the creative and digital industries within Carmarthenshire and SW Wales.

Key achievements

Project Development

- University internal team has met and is in the process of developing a new delivery strategy for Egin Phase 2
- Egin Phase 2 envisioned to be a follow on space for Egin Phase 2, located within the University campus, that will provide key cutting edge facilities and equipment.
- University has engaged expert consultants to develop a proposal centred around the provision of a Digital Production Facility in existing University space.

Key Activities planned	
<ul style="list-style-type: none"> University continues to refine scope to accommodate new requirements from industry. Project team has now undertaken Change Identification Notice process to formalise changes to the Egin Phase 2 project and is working in conjunction with PoMo to develop new scheme. University is working with external consultants to fully develop the Digital Production Facility proposal along with revised budget and accompanying demand analysis. Expected delivery methodology to likely change to preserve BCR due to inflationary pressures 	

Project Title	Skills and Talent	Programme / Project Lead	
Local Authority Lead	Carmarthenshire County Council		Samantha Cutlan
Project Delivery Lead	South West Wales Regional & Skills Partnership	Reporting Period	Q4 2022/23
SRO	Barry Liles		

Budget	
Total Budget	£30m
City Deal	£10m
Public	£16m
Private	£4m
Description	
<p>To develop a sustainable pipeline of regional talent to benefit from the high-value jobs City Deal projects will generate in growth sectors for the region. This includes the potential to develop skills through courses and training and apprenticeship opportunities aligned to City Deal projects and regional priorities, as well as a partnership approach involving schools, universities, businesses and training providers across the region to identify need and resolve skills development gaps.</p>	

Key achievements	
<p>Business Case Development</p> <ul style="list-style-type: none"> 9 Pilot project applications have now been approved by RLSP board. Gateway Review completed resulting in a 2nd Green Rating. Barometer Reviewed and Updated. Development of Website. Swansea Bay City Deal Skills Sub Group set up. 	
Key Activities planned	
<ul style="list-style-type: none"> Receive and review further pilot project applications. Website update being completed with a view of increased marketing activity and website updates to raise awareness of Programme and stimulate further pilot applications. Claims process set up, and first claim cycle completed, with second about to commence. Ongoing discussions with interested parties regarding further pilot project development. 	

Outputs

- Create 14,000 individuals with increased level of skills within 10 years
- Create at least 3000 new apprenticeship opportunities, to include level 3 to Degree apprenticeships.
- Create Centre of Excellence for specific sectors.
- 2,200 additional skills
- 20 new course frameworks updated/created
- 2 Centres of excellence
- Create a clear career pathway through school, FE, HE and apprenticeship and into the world of work.

ANNEX 1

RAG Status	
R	<p><i>Major problems identified which mean the programme / project is unlikely to deliver the agreed scope to the required standard on time or on budget, or to deliver the expected benefits.</i></p> <p><i>Remedial plans are not proving effective.</i></p> <p>Escalate to programme / project sponsor for support to resolve.</p>
A	<p><i>Some problems identified which may put the programme / project's scope, time, cost, and/or benefits at risk. Remedial plans are in place and are being monitored to ensure that risk is mitigated.</i></p> <p>Highlight to programme / project sponsor for visibility and awareness.</p>
G	<p><i>Programme / Project is proceeding according to plan. Risks/issues are being managed within the programme / project.</i></p> <p>No need to escalate to next level.</p>

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Swansea Bay City Deal Benefits Recording Register - Portfolio Summary

Project/Prgramme	Total Investment Target (£m)	Total Investment to date (£m)	Total Jobs Target	Total Jobs Created	Business Case Status	Project Stage	Stage Commencement	Stage Completion
Swansea Waterfront Digital District	171.54	95.10	1281	306	Approved - FBC	Partial Delivery (2/4)	Oct-19	Q4-2027
Homes as Power Stations	505.50	42.92	1804	9	Approved - OBC	Pre-procurement	Jul-21	Q1-2022
SILCG	58.70	10.88	1320	17	Approved - OBC	Partial Delivery (2/7)	Nov-20	Q4-2025
Pentre Awel	199.19	30.46	1853	4	Approved - OBC	Pre-construction	Oct-21	Q1-2022
PDM	60.47	44.57	1881	77	Approved - OBC	Partial Delivery (1/4)	Sep-21	Q1-2024
Digital Infrastructure	55.30	31.61	0	6	Approved - OBC	Pre-procurement	Mar-21	Q2-2022
Campuses	131.98	0.55	1120	4	OBC regionally approved	Pre-approval	Jul-21	Q1-2022
Skills and Talent	30.00	0.60	0	2	Submitted - OBC	Pre-approval	Jul-21	Q4-2021
Yr Egin	25.17	15.07	427	111	Approved - FBC	Partial Operation (1/2)	Sep-18	Q4-2023
	1237.85	271.74	9686	536	N.B There are also in excess of 100 Part Time jobs which have been created by the Arena since opening, after 12 months of operations these will be reviewed to determine an appropriate FTE allocation			
		21.95%		5.53%				

Swansea Bay City Deal

Construction impact assessment summary report



Date	April 2023
Version	V6.0

Construction Impact Assessment Summary Report

1.0 Introduction

The purpose of the combined risk/issues assessment and impact assessment is to highlight and quantify the specific risks/issues currently being experienced throughout the construction industry. SBCD Programme Board and Joint Committee have requested that all programmes and projects assess their current status and ongoing monitoring with regards the potential impact these construction challenges will have on the successful delivery of the portfolio and the constituent programmes and projects.

2.0 Returns

As of 12th April 2023 following multiple discussions and requests for completion of the SBCD construction impact assessment, below is the status of returns.

Programme/Project	Status of Return
Swansea Waterfront	Complete
Swansea Campuses	Complete – Not updated this month
SILCG	Nil return
Skills and Talent	Nil return – not currently a direct issue
Yr Egin Phase 2	Nil return – current review of delivery strategy and strategic alignment will complete within next few months once strategy complete and approved.
Pentre Awel	Complete – Not updated this month
PDM	Complete
Digital infrastructure	Nil return – on-going BC updates will complete within next few months once BC updates complete.
HaPs	Nil return

3.0 Construction impact assessment (CIA) Requirements

The CIA has been developed with 9 key questions listed below, whilst providing projects the opportunity to highlight specific risks or issues under question 10:

		Identify as Risk or Issue
	<u>People</u>	
1	Decreased available labour and/or suitable subcontractors and suppliers	
2	main contractor delivery/management team - skills and capacity issues in terms of project delivery	
	<u>Materials</u>	
3	Lack of availability of construction materials	
4	Quality of materials (due to lack of stock of preferred option)	
	<u>Finance</u>	
5	Rising construction costs results in exceeding/increasing programme / project budget	

6	Contractor / subcontractor / supplier going bankrupt/experiencing financial difficulty	
	Timelines	
7	Delays in project programme due to traditional infrastructure project factors such as ground/weather/construction site issues etc.	
8	delay in obtaining relevant construction related / operational approvals	
	Policy/political	
9	revised industry/governmental statutory & mandatory requirements - including technological/policy/political advancements since initial planning phases	
	Other	
10	Please highlight any other risks/issues in relation to construction not highlighted above	

These questions are scored across 8 fields of potential impact of low/medium/high (probability x impact). The fields of impact are:

Scope and key objectives	Targets	Timescales	Reputation if project fails to deliver	Stakeholders/ partnerships commitment	Project costs	Procurement	Staff resourcing
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Once completed the author must then identify mitigations that are/will be put in place along with any resource requirements in enacting these mitigations.

4.0 Summary of Risks identified in returns

Risks	Impact Field	Scope	Targets	Time	Reputation	Stakeholder/ Partnerships	Proj. Costs	Procurement	Resources
Red		1	8	7	0	0	4	0	0
Amber		11	19	19	21	15	21	16	3
Green		26	20	12	17	23	13	22	35

5.0 Quantification of impact

Once known the impact of these risks becoming issues will likely result in a change, the CIA has been developed so that all quantification links to the 5 categories of change derived in the SBCD change procedures, namely:

- Financial/costs
- Timescales
- Quality
- Programme and/or project benefits are impacted
- Portfolio benefits are impacted

6.0 Assessment of Increasing Construction Costs Paper

6.1 In late 2022 the POMO set out to identify and forecast the impact of increasing construction cost on the SBCD.

6.2 The result was the creation of a Paper titled Assessment of increasing construction costs.

6.3 The current version (V6) was presented to programme board in November 2022, outlining a potential £31m funding gap across the SBCD portfolio.

7.0 Assumptions made in forecasting the impact on the Portfolio.

- 7.1 Current estimates (Aug 2022) have been provided by projects, these have been identified where current tender prices have been provided. Cost inflationary estimates have been used where projects are pretender.
- 7.2 Inflation rates have been applied to demonstrate projected estimation figures. Building Cost Information Service (bcis.co.uk) indices were used to calculate projected estimations for future years (2023/24 – 3.2%, 2024/25 – 3.9%). These indices are industry specific and were deemed most appropriate to apply.
- 7.3 Inflationary rates are estimated and where Building Cost Information Service indices have been used these by their nature do not account for volatile or unexpected adjustments.
- 7.4 All forecasting within this report is only current on the day of writing, given the uncertainty and volatility previously discussed all future construction costs will vary from the forecast below and may potentially increase further prior to contract award or during delivery.
- 7.5 HAPS and Skills and Talent have been omitted from assessment due to the specific nature of their delivery.

8.0 Portfolio Review/status

- 8.1 Currently the portfolio is demonstrating a £31m increase in construction costs. These costs are then expected to be managed by Local Authorities and Lead partners, cost of which are outside the original budget allocations.
- 8.2 The current estimation (August/November 2022) has been derived using actual costs, current tender pricing and cost estimation. These are based on actual and anticipated delivery timelines i.e. build of infrastructure.
- 8.3 Future projections have been derived utilising Building Cost Information Service indices.
- 8.4 Future zones/phases in respect of the life science projects (Pentre Awel and Campuses) have been omitted as SBCD funding is not directly utilised to develop these and due to their nature, a reliable estimate is unobtainable at present.
- 8.5 The following tables describe the current situation (August-November 2022) and any mitigations with potential consequences

<u>Programme/Project</u>	<u>Construction Estimate (Per BC) (£)</u>	<u>Current Estimation (Aug 2022)(£)</u>	<u>Variance (£)</u>	<u>Development Position</u>
<u>SILGC</u>				
Bay Technology Centre	8,500,000	8,883,000	- 383,000	Delivered
SWITCH	15,000,000	17,564,046	- 2,564,046	Estimated
Advanced Manufacturing	17,200,000	21,595,189	- 4,395,189	Estimated
	40,700,000	48,042,235	- 7,342,235	
<u>Pentre Awel</u>	79,000,000	86,000,000	- 7,000,000	Procured
<u>Yr Egin</u>				
Phase 1	14,868,348	14,868,348	-	Delivered
Phase 2	10,301,653	12,956,872	- 2,655,219	Estimated
	25,170,001	27,825,220	- 2,655,219	
<u>Swansea Waterfront - Innovation Matrix/DLF & Precinct</u>				
Innovation Matrix/DLF	13,232,099	15,984,542	- 2,752,443	Estimated
Innovation Precinct	17,424,458	21,092,933	- 3,668,475	Estimated
	30,656,557	37,077,475	- 6,420,918	
<u>Campuses</u>				
ILS Innovation Centre - Singleton	12,790,000	14,451,217	- 1,661,217	Estimated
ILS Innovation Centre - Morriston	2,210,000	2,497,300	- 287,300	Estimated
	15,000,000	16,948,517	- 1,948,517	
<u>PDM</u>				
Pembroke Dock Infrastructure	41,593,611	45,879,000	- 4,285,389	Estimated
	41,593,611	45,879,000	- 4,285,389	
<u>Digital Infrastructuionre</u>	20,500,000	22,097,114	- 1,597,114	Estimated
Net Total	252,620,169	283,869,561	- 31,249,392	
<u>Swansea Waterfront - Arena & Digital Village</u>				
Digital Arena	95,045,842	89,203,265	5,842,577	Delivered
Digital Village	49,648,253	48,540,125	1,108,128	Procured
Total	397,314,264	421,612,952	- 24,298,688	

Programme / Project	Shortfall	Mitigating Actions	Action status	Likely Impact of Mitigation
Campuses	£1,948,517	<ul style="list-style-type: none"> Explore further funding opportunities Reduction of scope i.e. smaller footprint 	Potential Potential	Significant decrease on scope could affect available office space and associated income
Swansea Waterfront a) Digital District & Digital Village	£3m (est. between £2-3m)	<ul style="list-style-type: none"> Fixed price contracts with tier 1 contractor 	Actual	Possible impact on the subcontractors working on this scheme, many of which will be local firms.
Swansea Waterfront b) Innovation Matrix and Precinct	£6,420,918	<ul style="list-style-type: none"> Value engineer project delivery model. Assess viability of alternative funding sources. Reduce volume of infrastructure. Potential change of delivery mechanism for Innovation Precinct to better suit the economic/market environment as well as to take advantage of any partnership opportunities. 	Actual Actual Potential Potential	<ul style="list-style-type: none"> Change to refurbishment (rather than new build) model for Innovation Precinct (likely). Potential reduction in current benefits projections Change in funding arrangements and amounts for both projects. Collaborative approach likely to be developed with key private/public sector partners.
Yr Egin 2 Page 40	£2,655,219	<ul style="list-style-type: none"> Value engineer infrastructure Secure further funding Reduce volume of infrastructure Change phase 2 to align to current regional demands. 	Potential Potential Potential Potential	<ul style="list-style-type: none"> Change of delivery model, potentially leading to lower capital spend. Potential change to overall project outcomes and benefits through reduced volume of infrastructure.
Pentre Awel	£7m	<ul style="list-style-type: none"> Value engineering exercise undertaken. Changes to materiality and some omissions undertaken. Reduction of building area by 750 sqm. Local authority to invest further capital into the project. Increased use of digital and remote delivery for education and training, health and research/innovation. 	Actual Actual Actual Actual Actual	<p>Manageable and appropriate changes to the building design and associated infrastructure.</p> <p>Within the City Deal demise:</p> <ul style="list-style-type: none"> Reduced space to deliver education, skills and training activities Some reduction in business area. Mitigatable via Zone 3 business expansion centre Removed conferencing facility <p>Research, health and innovation spaces have been maintained</p>

SILCG	£7,342,235	<ul style="list-style-type: none"> Review accordingly and see what can be delivered at current rates within the previously agreed budget potentially doing less for more (cost). Look to obtain further funding. For SWITCH, the overall budget for the project is £20M split into £15M build and £5M for specialist equipment. If projected build costs are >£15M then there is a £1M buffer available from the specialist equipment budget to utilise to offset cost increases 	<p>Potential</p> <p>Potential</p> <p>Potential</p>	<p>Nil response in relation to previously highlighted AMPF shortfall of circa £4.395m</p> <p>Nil response in relation to BTC shortfall £383k</p> <p>Less funds available for specialist equipment (SWITCH)</p>
Digital Infrastructure	£1,597,114	<ul style="list-style-type: none"> Continue to monitor the situation and engage with fibre and mobile industry to better understand the situation. Continue to work with the private sector, encouraging and facilitating their investment in our region. Helping to ensure the private sector goes as far as possible with their investment. Seek to secure more public funding towards the regions needs and ambitions for fibre and mobile infrastructure. If necessary, reduce our delivery scope to fit the budget i.e. less infrastructure deployed for the funding we have available. <p>Still relatively confident we will deliver on the key investment objectives of the programme.</p>	<p>Actual</p> <p>Actual</p> <p>Actual</p> <p>Actual</p>	To be confirmed

PDM	£4,285,389	<ul style="list-style-type: none"> • Competitive tenders and further review of Best and Final with additional scrutiny. • Innovation in designs to deliver outcomes and outputs at less cost which has removed an additional £10m from the current estimate above. I.E without this the forecast would have been circa £55m. • Innovative trading and phasing within overall programme to deliver the individual phased outputs and outcomes. • Additional funding sought with WEFO and secured partial help. 	<p>Actual</p> <p>Actual</p> <p>Actual</p> <p>Actual</p>	<p>The 4 bullet points get us to the Outputs as defined within the Final business case and on track to get to the outcomes.</p> <p>The potential Shortfall is still circa £4.3m as above and we are reviewing future phases over 2023 to see where we can apply more of the points to potentially close this gap.</p>
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9 Conclusion/recommendations

9.1 Areas of High concern

There are currently 3 areas of high concern, these being:

- Scope
- Time
- Proj. costs

All of these areas will be continually monitored and over time as any issues arise along with associated change requirements, change notifications and change requests will be submitted to the PoMO and reported/escalated accordingly to stakeholders as per the SBCD change procedures.

9.2 Areas of Medium concern

There are currently 3 areas of medium concern, these being:

- Delivery of targets
- Potential reputational damage
- Proj. costs

9.3 As projects and programmes develop, all areas of concern will continually be monitored through the construction impact assessment, in order to ensure that all change is reported, recorded, escalated and approved appropriately, any mitigations required are implemented and the overall success of outcomes, outputs and impacts are not affected.

9.4 The funding gap identified is based on inflationary pressures and rising construction costs with a current estimated funding gap of £31.2m. This gap is based from the anticipated or actual difference in costs from approved outline business case to date (Aug-2022).

9.5 Gleeds Autumn review recommends that “As the challenging backdrop persists, it remains important to make projects attractive to the supply chain to obtain the best prices. Mitigation measures seen include:

- Proactive negotiation with preferred main contractor/subcontractors/suppliers to work through risks and issues
- De-risking of projects as much as possible through surveys and enabling packages
- Phasing/splitting of large projects to reduce risk via shorter programme length
- Early orders to secure materials/products to protect the programme and to obtain cost certainty
- Booking of key resources/teams to secure the best for the project
- Use of fluctuation clauses, prime cost (PC) sums, provisional sums, index linking of material supply costs, etc.
- Increased understanding of pipeline and financial standing
- Consideration of alternatives in case of sourcing difficulties
- Being open to different suppliers to ensure competition.

9.6 While value management is always important, it is particularly so at a time when budgets are under pressure. Regular reviews should be undertaken to look for opportunities and to ensure the best use of available resources.

Agenda Item 7



Swansea Bay City Region Joint Committee - 11 May 2023

Provisional Allocation of £5.3m Swansea Bay City Deal Funds and Swansea Bay City Deal Supporting Innovation & Low Carbon Growth (SILCG) - Advanced Manufacturing Production Facility (AMPF) Project Amendment Summary

Purpose:	To formally ask Joint Committee to approve the updating of the Supporting Innovation and Low Carbon Growth (SILCG) business case in order to include enhanced Advanced Manufacturing Production Facility (AMPF), namely inclusion of a National Net Zero Skills Centre of Excellence.
Policy Framework:	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
Recommendation(s):	It is recommended that Joint Committee: 1) Approves that the £5.3m unallocated SBCD funding is in principle allocated to Neath Port Talbot Council for the purposes outlined in the enhanced Advanced Manufacturing Production Facility Project Summary attached at Appendix A. 2) Requests Neath Port Talbot Council to formally proceed with the development of the SILCG Business Case to include the enhanced Advanced Manufacturing Production Facility project. 3) Approves the Business Case proceeding through the business case approval and change process as outlined in Appendix B.
Report Author:	Phil Ryder (SBCD Portfolio Manager)
Finance Officer:	Chris Moore (SBCD S151 Officer)
Legal Officer:	Tracey Meredith (SBCD Monitoring Officer)

1. Introduction

- 1.1 Since the introduction of the Supporting Innovation and Low Carbon Growth programme into the SBCD portfolio, following the removal of Centre of Excellence in Next Generation Services (CENGs), Factories of the Future and Steel Science Centre projects by Neath Port Talbot Council (NPTC) there has been £5.3m of the SBCD £241m funding unallocated to any Programme or Project.

2. Background

- 2.1. NPTC replaced their standalone Centre of Excellence in Next Generation Services (CENGs), Factories of the Future and Steel Science Centre projects with the Supporting Innovation and Low Carbon Growth (SILCG) Programme of seven interlinked projects in 2019.

This was in response to a number of key drivers: the two reviews of the Swansea Bay City Deal in 2019, Welsh Government climate change emergency, the macro-economic situation, and current strategies in the region, in particular the Port Talbot Waterfront Enterprise Zone Strategic Plan. As a result, it was approved for inclusion in the City Deal portfolio by NPTC's Cabinet in July 2019 and subsequently approved by the SBCD Joint Committee.

- 2.2. The SILCG programme met the original Critical Success Factors and subsumed relevant parts of the CENGs and Steel Science Centre projects. Factory of the Future was also no longer supported as one of the prioritised projects. The total investment of the initial three projects was £53m.

At the Strategic Business Case stage (JCA Schedule 7) the sum of £53m was allocated to Neath Port Talbot led projects to deliver the stand-alone projects. The SILCG Programme Business Case was developed and approved through the SBCD governance between January 2020 and March 2021. The SILCG Business Case required £58.7m of total investment, of which, £47.7m was funded from the City Deal, £5.5m from other public sector funds and £5.5m from private funding.

- 2.3. The Welsh Government and UK Government approved the SILCG Programme on 20th August 2021 for the requested £47.7m.
- 2.4. Consequently, a residual of £5.3m City Deal funds, originally allocated to NPTC led projects remains unallocated to a specific project within the Portfolio. There is no record of the £5.3m being committed within the SBCD Portfolio. Noting that the £5.3m was originally allocated to NPTC led projects when the SBCD was originally agreed and formed.
- 2.5. NPTC have subsequently raised the prospect of an amendment to the existing SILCG Business Case with the PoMO. The amendment accounted for the unallocated £5.3m funding, linked to the Advanced Manufacturing Production Facility project (AMPF) with the prospect of creating a National Centre of Excellence for Net Zero Skills which will support the projects within the SILCG programme, Homes as Power Stations project in addition to complementing the regional Skills and Talent project which aims to create a Centre of Excellence for Skills. The facility would also support the wider region e.g. Freeports, Floating Offshore Wind (FLOW),

Blue Eden Project and Pembroke Dock Marine (PDM). The Project Amendment Summary is attached at Appendix A.

- 2.6. The Joint Committee Agreement does not provide any specific mechanism for the allocation of unallocated funding, however Section 12 of the Joint Agreement deals with the process of funding projects and section 12.6 sets out the process for withdrawal and replacement of projects, which is useful guidance as to what to do with the unallocated funding or amendments in projects.
- 2.7. The process provides that if a Project Authority Lead informs the PoMo of the need for a project to be withdrawn that Authority may then propose a new project to replace the project withdrawn. Clause 12.6 (e) provides that it is the Joint Committee who would decide (if following the 12.6 process to replace a project) whether the new project proposed should replace the previous one or whether there should be a bidding process for a new project or reallocation of funding to another project.
- 2.8. The Programme Board recommendation is that NPTC are given the opportunity to amend and develop a business case based on that attached at Appendix A and to proceed through the Business Case approval and change process as outlined in Appendix B. The funding and allocation was originally agreed for NPTC projects and should be retained for NPTC projects subject to approval of the amended business case by Joint Committee and UK/WG.
- 2.9. The PoMo will continue to work with NPTC officers to update the Business Case ready for submission for formal approval later this year. In the meantime NPTC will develop a timeline for Business case approval.

3. Financial Implications

- 3.1 The original SBCD agreement provided UK and WG Government funding of £241m in total over a 15 year period. This funding was allocated to 11 specified projects, each project having a constituent Authority lead. NPTC original funding for Centre of Excellence in Next Generation Services (CENGs), Factories of the Future and Steel Science Centre projects was £53m. Through the initial re-alignment of the NPTC schemes the revised call of government funding was £47.7m. which left £5.3m unallocated funds within the SBCD Portfolio.
- 3.2 As per the Joint Committee Agreement if a council wishes to withdraw a project the project authority lead may propose a new project to take the place of the project to be withdrawn. The additional investment will lever in substantial addition private and public investment, which is detailed in Appendix A, SBCD SILCG AMPF Project Amendment Summary.
- 3.3 Full project approval will be subject to a full Business Case development which will provide additional information on the Public and Private investment and clarification on the additional outputs and GVA uplift, that this investment will trigger. Upon approval on this Project, funding will be allocated annually on the same basis as the other SBCD schemes.

4. Legal Implications

- 4.1 The Joint Committee Agreement does not specifically cover the event of dealing with residual/unallocated funds. Section 12.6 of the Agreement does provide some useful guidance in terms of withdrawal of a project. Clause 12.6 (e) provides that the Authority withdrawing a project may propose a new project to take the place of the project withdrawn. It is for the Joint Committee to decide (if following the 12.6 process to replace a project) whether the new project proposed should replace the previous one or whether there should be a bidding process for a new project or reallocation of funding to another project.
- 4.2 If using section 12.6 as guidance then NPTC should be given the opportunity to put forward a business case for the unallocated monies.

5. Alignment to the Well-being of Future Generations (Wales) Act 2015

- 5.1 The SBCD Portfolio and its constituent projects are closely aligned to the Well-being of Future Generations (Wales) Act 2015 and the seven well-being goals for Wales. These alignments are outlined in a Portfolio Business Case for the SBCD, as well as in individual project business cases.

Background Papers: None

Appendices:

Appendix A: SBCD Supporting Innovation & Low Carbon Growth – Advanced Manufacturing Production Facility Project Amendment Summary
Appendix B: Business Case update and approval summary

Swansea Bay City Deal – Supporting Innovation & Low Carbon Growth Programme

Proposed Advanced Manufacturing Production Facility enhanced project to incorporate a ‘National Net Zero Skills Centre of Excellence’

Executive Summary

This summary document has been prepared in response to addressing the unallocated £5.3M City Deal funds under discussion by the Chief Executives and Leaders of the Joint Committee. The document explores the option of NPTC using these funds in conjunction with the existing Advanced Manufacturing Production Facility (AMPF) project. This enhanced AMPF project, the first of its kind in Wales, will also include a new **National Net Zero Skills Centre of Excellence** which has been shown to be a requirement by industry and the region. The facility will provide industry led skills to upskill the existing workforce and provide relevant training for new people who wish to work in the green economy and maximise the opportunity of the number of developments in the region e.g. Freeports, Floating Offshore Wind (FLOW), Blue Eden Project, Homes as Power Stations (HAPS), Skills and Talent and the Supporting Innovation and Low Carbon Growth (SILCG) Programme.

The enhanced AMPF project will support the diversification of the economy, through the creation of value-added jobs and the creation of a working environment where manufacturing and innovative businesses can flourish and where products can be commercialised, thus increasing the GVA of the region. The facility will also support start-ups and the growth of indigenous businesses.

The additional benefits of the £5.3m City Deal funding will enable:

Investment objectives – To deliver a national Centre of Excellence for Net Zero Skills by 2026

Key deliverables – Industry led hybrid facility offering specialist facilities to commercialise RD&I (proving factory concept) supported by industry led skills provision to complement FE/HE provision in the region.

The initial Level of outcomes for learners would be targeted at Level 3+, upskilling craftsperson’s to a new content or higher level not currently available through their Work Based Learning or Academic programmes of study. This would be an industry led facility and the training provided would respond to the needs of industry, with approximately three quarters of local companies reporting skills gaps.

- The Net Zero Skills CofE would provide access to cutting edge equipment, systems and software in a state-of-the-art facility (namely within the AMPF), tailored to the needs of learners and industry ensuring a prolific learning experience. It would provide Employment Led and Oriented Training needed to develop company quotas for economic improvement and sustainability.
- It would be an enterprise providing the highest quality training by expert trainers in a simulating environment endorsed by leading industrial vendors.
- The trainers would be from industry/academia or in industry and seconded for their expertise.
- The specialist training programmes would be designed to reduce the skills gaps in supporting industry to accelerate innovation through technology.

Outcomes/impact are in addition and distinct from the existing SILCG BC around AMPF and Skills and Talent deliverables i.e. no duplication to existing initiatives (these outputs/outcomes are conservative estimates based on similar projects and will be confirmed during the business planning process).

Indicators	AMPF OBC (1)	NNZSCoE (2)	Enhanced AMPF (1&2 combined)
Land Developed	0.81ha	-	0.81ha
Premises Created	4,000m2	1,000m2*	5,000m2
Jobs Accommodated	111	29	140
Jobs Created/safeguarded	88 (+10 construction)	15	113
SMEs accommodated	15	-	15
SBCD Investment	£17.2M	£5.3M	£22.5M
Public Sector	-	£50M+	£50M+
Private Sector	£500K/yr (to 2033)	£5.5M	£9M
GVA uplift	-	£4bn over 20 years*	£4bn over 20 years*
No. of Courses/pa	-	50+	50+
No. of Individuals trained by 2033	-	3,500	3,500

*based on AMRC figures, to be further evaluated during the business plan process over the next few months

Outputs (additional / added value) – approx. 4,500-5,000m2 of specialist facility (to be finalised during the design and build process)

Operating model options

There will be a competitive procurement exercise to appoint the operator for the facility to maximise revenue and links to industry. There is significant interest from industry to operate the facility and from end users. A pre-market engagement workshop is planned in collaboration with Industry Wales.

Industry Wales are supporting the pre-market engagement activity relating to the enhanced AMPF including Industry, FE, HE, schools, and spin out companies to ensure the facility meets the current and future needs of industry.

Key partners

We have engaged and have support from the following key partners / stakeholders:

- Local Authorities
- FE
- HE
- Industry Wales
- NZIW (Net Zero Industry Wales)
- RLSP
- Local industry

Financial Profile

Key partners involved in the AMPF working group have already submitted bids worth over £8m for the region in the last 6 months. The collaborative approach to securing public and private sector investment will be strengthened through the development of the AMPF. A collaborative development between government, industry and academia based on the ‘proving factories’ concept (late TRL level to MRL level). It is estimated that over £40m of private and public research funding will be leveraged over the first 5 years of operation – this leverage of public and private funding will increase as a result of the enhancement. This will be developed

through the revised business plan process over the next few months. The facility will enable additional private, public and research funding to be secured in addition to the current financial profile.

Evidence

The additional skills aspect to AMPF is aligned to industry need to enhance provision and will be complementary to existing local, regional and national interventions and will add value to the Skills and Talent project.

Industrial decarbonisation is a major challenge if Wales is to reach Net Zero by 2030 and appropriate skills in the workforce is key to achieving this target. Wales is ideally placed to be a test bed for the rapid transition to low carbon technology and there are significant benefits to be gained from a co-ordinated, national approach to industrial decarbonisation and the creation of a green energy economy.

The Centre of Excellence for Net Zero Skills will support an ambitious programme to engage and interact with the FE and HE sectors and establish a system to ensure there are no barriers to skills escalation. The AMPF will offer a flexible delivery model that utilises advances in online guided learning, in person teaching and practical sessions, industry collaborations and high-level applied research. People can access short, CPD or credit bearing courses and use these to build qualifications, or simply to gain the skills needed for their role.

The recently published skills barometer provides the evidence that South West Wales is lacking in skills providers who can support the net zero skills agenda with courses appropriate to this area. In addition, Industry Wales has identified the need for industry led skills provision to meet the needs of industry over the next 5 to 15 years.

Alignment to UK, National, Regional and Local policies and strategies

The proposal is aligned to delivering key areas of UK, National (Wales), Regional and local policies and strategies including:

- Stronger, Fairer, Greener Wales: Net Zero Skills Action Plan (February, 2023)
- NPTC DARE Strategy (May, 2020)
- SW Wales Regional Economic Delivery Plan
- WG Manufacturing Action Plan

WG have stated in their recent net zero skills action plan *“Skills will be a key enabler as we transition to a net zero economy”*.

Delivery Timeline

It is anticipated that a procurement exercise to identify an appropriate partner / operator for the facility will commence in June 2023. A two-stage design and build procurement process will also commence in June 2023 and is expected to take approximately twelve months. Construction will commence from July 2024 with an estimated completion aimed for early 2026. Equipment for the building will be installed during and post construction.

Introduction

The Swansea Bay City Deal (SBCD) Portfolio Management Office (PoMO) have introduced multiple processes and documents to assist Partner’s in understanding the requirements for approvals and change. These processes and documents have been developed utilising best practice and Greenbook methodology. The primary documents for consideration when the Supporting Innovation Low Carbon Growth Business Case is updated to incorporate the Enhanced Advanced Manufacturing Production Facility Project are:

- SBCD Business Case (process listed below),
- SBCD Change management process,
- SBCD Business Case Development Process,
- The Green Book,
- Building better business case guidance.

The following table outlines the process for development of the business case.

	Process	Owner
1.	Lead Local Authority updates business case in line with guidance above.	LA
2.	PM submits Business Case to PoMO	PM
3.	SBCD PoMO reviews business case	SBCD PoMO
4.	SBCD PoMO feedback session	SBCD PoMO/PM/SRO
5.	Business case amendments incorporated	PM
6.	Business case and associated documents shared with Economic Strategy Board (ESB) members	SBCD PoMO
7.	ESB test and challenge meeting	ESB, SBCD PoMO, PM, SRO
8.	Business case amended with ESB feedback	PM
9.	Business case shared with Programme (Portfolio) Board	SBCD PoMO
10.	Lead organisation(s) Cabinet approval (and any other sign off required within Lead Organisation(s))	PM/SRO
11.	Programme (Portfolio) Board presentation to decide whether to take forward to Joint Committee	SBCD PoMO/PM/SRO
12.	Programme / Project presented for Joint Committee regional approval	SBCD PoMO/JC/PM/SRO
13.	External stage gate review (Risk Potential Assessment, 3-day review and recommendation report)	SBCD PoMO/WG/PM/SRO
14.	Business case and recommendation report sent to WG/UKG for approval	SBCD PoMO/WG
15.	WG/UKG review and approval process	WG/UKG

Agenda Item 8



Swansea Bay City Region Joint Committee - 11 May 2023

Private Sector Investment / Contribution Report

Purpose:	To update Joint Committee on the current situation with SBCD portfolio private sector investment and contributions as at Appendix A.
Policy Framework:	Swansea Bay City Deal
Report Authors:	Peter Austin (Business Engagement Manager) Anthony Parnell (Treasury & Pension Investments Manager)
Finance Officer:	Chris Moore, Section 151 Officer, SBCD
Legal Officer:	Tracey Meredith, Monitoring Officer, SBCD
For Information	

1. Introduction

- 1.1. This report provides Programme Board with an appraisal of the status of private sector investment/contribution across the SBCD Portfolio.
- 1.2. The Swansea Bay City Deal (SBCD) portfolio is a £1.3bn investment across nine headline business cases delivering 35 projects, with an estimated £625m contribution from the Private Sector by 2033.
- 1.3. The private sector contribution was a red risk to the portfolio, as most investments and contributions are expected to be realised further along the delivery timeline.

2. Background

- 2.1. This report addresses the SBCD Portfolio red risk against the achievement of private sector contribution across the portfolio. It seeks to detail what type of contribution is expected for each programme/project and when it is expected to be achieved.
- 2.2. The term contribution is being used across this report as it best describes the variety of ways the private sector may part-fund City Deal programmes and projects.

- 2.3. There is a wide acceptance and recognition that projects and programmes are experiencing slippage in business case development and delivery due to a number of macro-economic factors, including COVID, availability of resources and recruitment, energy prices, construction costs and inflationary pressures. This is being closely monitored and reported through SBCD governance frameworks..
- 2.4. An initial review of private sector contributions was undertaken in September 2022 which highlighted slippage that has occurred within the delivery phase of the Portfolio. That review also found most programmes and projects remained reasonably confident that they could achieve the level of private sector contribution outlined in the individual business cases. The process was repeated in January 2023 which found that although there were some delays, significant progress had been made in the final quarter FY 2022/23.
- 2.5. Progress of note includes:
- The Digital Infrastructure programme reporting a £14.5m return on investment.
 - The PDM project has secured £13.9m from Milford Haven Port Authority.
 - The Skills and Talent Initiative has secured £0.96m private sector contribution from 77 Apprenticeships, with a minimum value of £536,764 and 9 approved pilot projects with a projected £390,300 of in-kind and £35,000.00 of financial contributions.
 - Swansea Waterfront demonstrating a £1m contribution from ATG for the Swansea Arena.
 - HAPS: circa £1.4m private sector costs for 187 new build homes and 6 retrofits.
- 2.6. The private sector investment is critical to the realisation of Portfolio benefits and remains largely on track throughout the 10 years remaining of the SBCD realisation period.
- 2.7. Over the life span of the Portfolio the achievement of private sector contribution is expected to increase as projects establish themselves and move into delivery and operation. This is expected to be realised from 2025 onwards.
- 2.8. The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process from Q1 FY 2023/24. A template has been cascaded to all projects and programmes to capture specific information on private sector investment.
- 2.9. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.

3. Financial Implications

- 3.1. The Swansea Bay City Deal (SBCD) portfolio is a £1.3bn investment across nine headline business cases delivering 35 projects, with an estimated £625m contribution from the Private Sector by 2033.
- 3.2. The SBCD Heads of Terms states that Local partners within the Swansea Bay City Region estimate that the City Deal will lead to:

- Over £600 million of direct private sector investment levered to deliver interventions.
- Investment spread across the whole of the region to ensure all localities and citizens can benefit.

4. Legal implications

4.1. There are no legal implications.

5. Alignment to the Well-being of Future Generations (Wales) Act 2015

5.1. The SBCD Portfolio and its constituent programmes / projects are closely aligned to the Well-being of Future Generations (Wales) Act 2015 and the seven well-being goals for Wales. These alignments are outlined in a Portfolio Business Case for the SBCD, as well as in individual programme / project business cases

Background Papers: None

Appendices:

Appendix A: SBCD Private Sector Investment / Contribution Status Report

Swansea Bay City Deal

Private Sector

Investment / Contribution

Status Report



Document Control	
Date:	April 2023
Version:	Final 05-23JC
Owner:	Jonathan Burnes, Portfolio Director
Authors:	Peter Austin, Emma Powell/Anthony Parnell

Contents

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2. Definitions	5
3. Situation Appraisal	5
4. Programme/Project Forecast Summary	8
5. Project Breakdowns	9

1. Executive Summary

- 1.1. This report addresses the SBCD Portfolio red risk against the achievement of private sector contribution across the portfolio. It seeks to detail what type of contribution is expected for each programme /project and when it is expected to be achieved.
- 1.2. The term contribution is being used across this report as it best describes the variety of ways the private sector may part-fund City Deal programmes and projects (P&Ps).
- 1.3. The Swansea Bay City Deal (SBCD) portfolio business case originally forecasted a £1.3bn investment across nine headline business cases delivering 35 projects, with an estimated £625m contribution from the Private Sector by 2033.
- 1.4. The reported actual private sector expenditure in January 2023 was £20.58m across the Portfolio. In addition, a further £7.63 is forecast to be reported by end of FY 2022/23.
- 1.5. The total City Deal investment from all sources was £271.74m of which £28.03m was private sector investment at the end of the financial year 22/23.
- 1.6. Current private sector investment forecasts for the Portfolio indicate a £13m increase over the original Portfolio target. The current private sector investment target is circa £638m.
- 1.7. Over the life span of the Portfolio the achievement of private sector contribution is expected to increase as projects establish themselves and move into delivery and operation. This is expected to be realised from 2025 onwards.
- 1.8. The private sector investment is critical to the realisation of Portfolio benefits and remains largely on track throughout the remaining 10 years of the SBCD Portfolio.
- 1.9. There is a wide acceptance and recognition that projects and programmes are experiencing slippage in business case development and delivery due to a number of macro-economic factors, including COVID, availability of resources and recruitment, energy prices, construction costs and inflationary pressures. This is being closely monitored and reported through SBCD governance frameworks.
- 1.10. An initial review of private sector contributions was undertaken between June and September 2022. The review found most programmes and projects were confident that they could achieve the level of private sector contribution outlined in the approved outline business cases. The process was updated in January 2023 which found that although there were still some delays, significant progress had been made in the final quarter FY 2022/23.
- 1.11. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.
- 1.12. Private sector contribution until now has been highlighted as a Portfolio red risk, due to the uncertainty and impact that it has on successful delivery of the Portfolio.
- 1.13. The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process from Q1 FY 2023/24. A template has been cascaded to all projects and programmes to capture specific information on private sector investment.
- 1.14. This report provides the private sector investment status, forecasts and supporting private sector narrative for the Portfolio and each project and programme.

The table below summarises the private sector contribution for the nine headline business cases:

Project/ programme	Private sector status	Private sector target	Actuals (Yr 1-4) £m	Private sector forecast (£m)				Forecast Total	Supporting narrative
				22-23	23-24	24-25	25-33		
Digital Infrastructure		16.5	14.6	4	4.5	4.5	3.5	31.1	Stimulating additional investment and Commercial contributions to project and partner deployments i.e SRN, Accelerating and facilitating upgrade and roll out of 4G/ 5G, UK & Welsh Gov
Homes as Power Stations		375.9	0	1.4	0	0	374.5	375.9	RSL and Private developer build costs for new builds. Home owners and private rental sector contribution for retrofits. Match funding to grant schemes.
Skills and Talent		4	0	0.96	1.1	1.2	1.2	4.46	Value of Apprenticeships and industry contributions for pilot projects.
Yr Egin		1.5	0	0.36	0.12	0.12	0.96	1.56	Tenant contributions and rental income
Swansea Waterfront		39.9	1	0	12.72	20.65	2.51	36.88	Hotel build, ATG fit out of Arena, Rental income from Kingsway
SILCG		5.5	0	0.55	3.3	1.65	0	5.5	Match to property development fund
Pentre Awel		108.19	0	0.04	19.79	24.28	64.12	108.23	None for Zone 1 build. Tenant commissioning and rentals going forward
Campuses		57.43	0	0	0	0	57.68	57.68	Investor and tenant contributions, fit out and rental plus sectoral collaborations
PDM		13.9	3.58	0.3	13.1	0.5	0	17.48	PoMH capital contribution, berthing fees, rental income
Total		622.82	19.18	7.61	54.63	52.9	504.47	638.79	

Table 1.1 Summary of Private Sector Contribution draw down and forecast.

2. Definitions

2.1. This report addresses the SBCD Portfolio red risk against the achievement of private sector contribution across the portfolio. It seeks to describe in more detail what type of contribution is expected for each programme and project and when it is expected to be achieved.

2.2. For clarity, the following broad definitions will apply to the potential sources and stages of contribution.

- **City Deal funding** is taken to mean that funding provided by UK Government and Welsh Government to support the City Deal **£241m**.
- **Public sector** is taken to mean those economic activities under control of central or local government and will include Universities. The public sector contribution is circa **£380m**.
- **Private Sector** is taken to mean the section of the economy under the control of individuals or companies, and which are generally focused on making profit. The sector operates independent of government control. This sector also includes the third sector comprising of not-for-profit and voluntary sector companies and organisations i.e., housing associations. The total contribution from the private sector is circa **£625m**. It is the contribution of this sector to which this report refers.
- **Contribution**. The term contribution is being used across this report because it best describes the variety of ways the private sector may interact with City Deal programmes and projects.
- **Secured**. Private sector contribution that has been formally committed to a project.
- **Expended/Defrayed**. Private sector contribution that has been spent, used, or applied to a project.

2.3. The source of private sector funding has been broken down into three broad categories.

– see section 3.

- **Investment to develop/build (Upfront investment)** i.e., match funding for project activities which refers to those project elements that require match-funding or contributions towards project activities i.e., pilot projects, investment funds, supply chain development etc.
- **Operational income (ROI)** refers to those projects reliant on occupation of infrastructure post build: tenancy, collaborative/ partnership agreements, facility fit out and rental income.
- **Leveraged private sector contribution (ROI)** i.e., Stimulating additional investment and commercial contributions refers to those project activities which encourage further investment activity ie where City Deal funding is acting as a catalyst for future investment and developments.

3. Situation Appraisal

3.1. There is a wide acceptance and recognition that projects and programmes are experiencing slippage in business case development and delivery due to several macro-economic factors including COVID, availability of resources and recruitment, energy prices, construction costs and inflationary pressures. This is being closely monitored and reported through SBCD governance frameworks.

3.2. Private sector contribution until now has been highlighted as a Portfolio red risk, due to the uncertainty and impact that it has on successful delivery of the Portfolio. However, progress of note includes:

- The Digital Infrastructure programme reporting a £14.5m return on investment.
- The PDM project has secured £13.9m from Milford Haven Port Authority.
- The Skills and Talent Initiative has secured £0.96m private sector contribution from 77 Apprenticeships, with a minimum value of £0.54m and 9 approved pilot projects with a projected £0.4m of in-kind and circa £0.04m of financial contributions.
- Swansea Waterfront demonstrating a £1m contribution from ATG for the Swansea Arena.
- HAPS: circa £1.4m private sector costs for 187 new build homes and 6 retrofits

3.3. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.

3.4. More detailed financial tables are included in **Section 4** which show the overall forecast, budget and variance for programme and project delivery.

3.5 As a general indication across the three categories of investment described in section 2, the source of private sector contribution can be demonstrated as shown in the following chart.

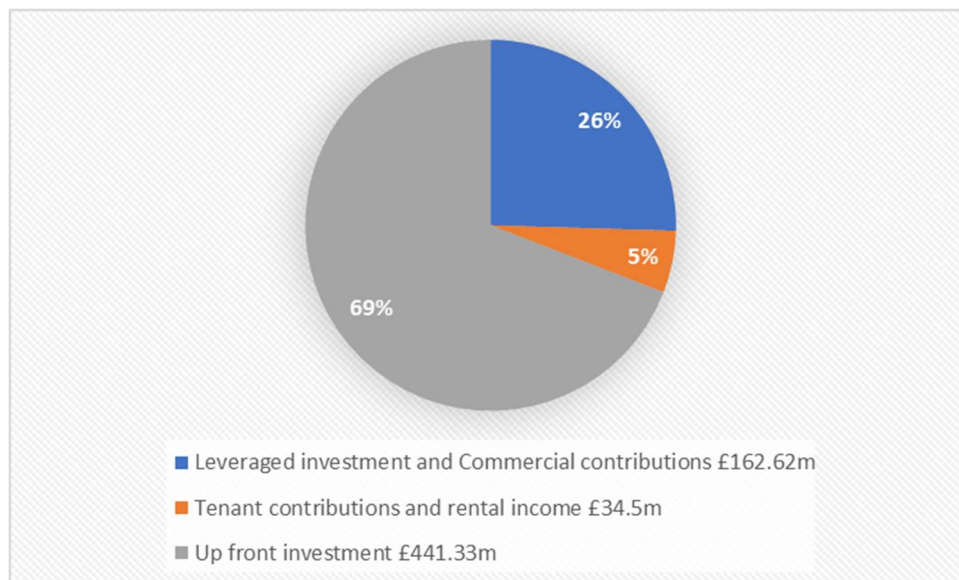


Chart 3.1. Portfolio Private Sector contributions (value and %)

3.6 Chart 3.1 illustrates the £441m of up-front investment required; this figure includes:

Programme & Project	Upfront investment
Digital Infrastructure	31.1
Homes as Power Stations	375.9
Skills and Talent	4.46
Swansea Waterfront	6.88
SILCG	5.5
PDM	17.49

3.7 An initial review of private sector contributions was undertaken between June and September 2022. The review found most programmes and projects remained reasonably confident that they could achieve the level of private sector contribution outlined in the approved outline business cases. The process was updated in January 2023 which found that although there were still some delays, significant progress had been made in the final quarter FY 2022/23.

3.8. The overall estimated investment position is demonstrated at £1.239bn over the fifteen-year life of the portfolio. The revised budget (as outlined within programme/project business cases) comprised of a total investment of £1.241b, currently the City Deal is presenting a small underinvestment of £2m against the revised budget.

3.9. Over the life span of the portfolio the private sector engagement is expected to increase and develop as projects establish themselves and move into completion. A timeline of the revised budget is demonstrated within the Finance Case of the Portfolio Business Case, the private sector investment is not expected to accelerate until year 7 when further programmes and projects become operational.

3.10. The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process from Q1 FY 2023/24. A template has been cascaded to all projects and programmes to capture specific information on private sector investment. See project breakdowns in **Section 5**.

3.11. Over the life span of the Portfolio the achievement of private sector contribution is expected to increase as projects establish themselves and move into delivery and operation. This is expected to be realised from 2025 onwards.

3.12 The following financial forecasts are subject to a FY 2023/24 Q1 reprofile exercise. The tables illustrate the shift in position from FY 2021/22 to FY 2022/23.

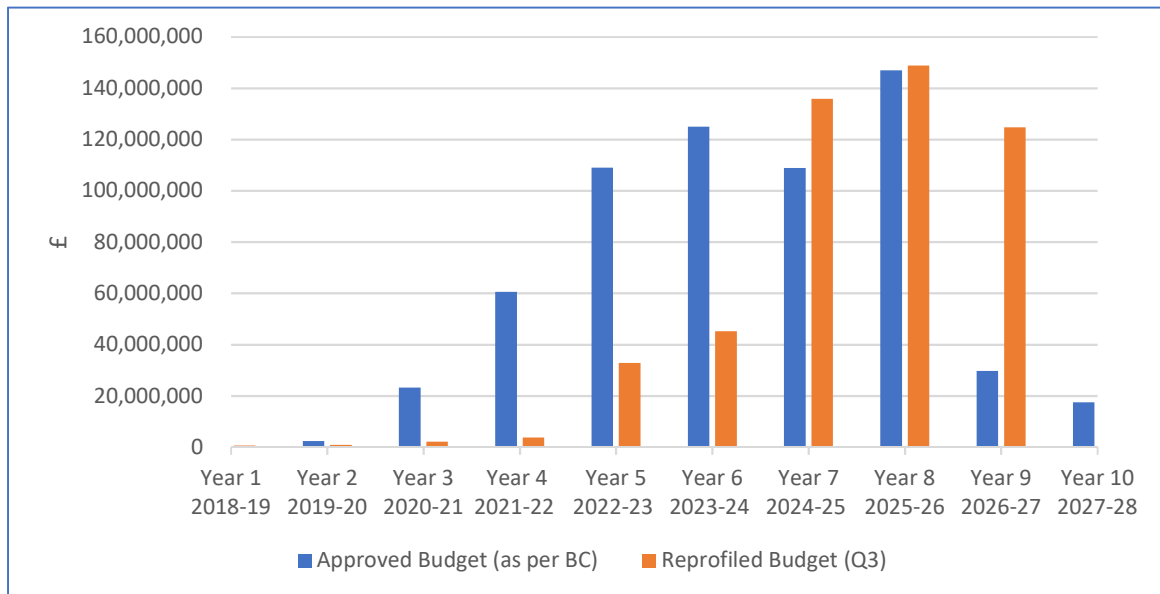


Chart 3.2 Budget vs Forecast 2021/22.

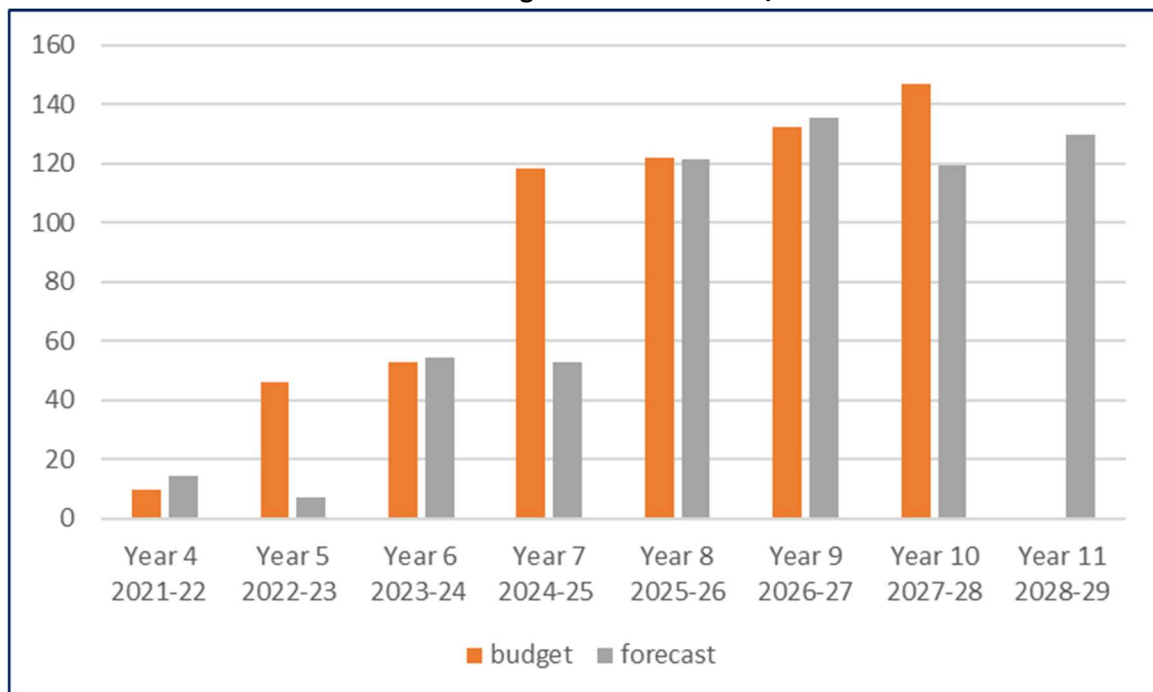


Chart 3.3 Budget vs Forecast 2023 onwards £m.

4. Programme/Project Forecast Summary

Programme/Project	Target Investment £m	Cumulative Actuals (20th Mar 2017 to 31st Mar 2021) Yr 1-3 (£m)	Actual	Actual / Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total (£m)
			Year 4 2021-22	Year 5 2022-23	Year 6 2023-24	Year 7 2024-25	Year 8 2025-26	Year 9 2026-27	Year 10 2027-28	Year 11 2028-29	Year 12 2029-30	Year 13 2030-31	Year 14 2031-32	Year 15 2032-33		
			(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)		
Digital Infrastructure	16.5	-	14.60	4.00	4.50	4.50	3.50	-	-	-	-	-	-	-	-	31.10
Homes as Power Stations	375.9	-	-	1.40	-	-	69.35	73.05	102.60	129.50	-	-	-	-	-	375.90
Skills & Talent	4	-	-	0.96	1.10	1.20	1.20	-	-	-	-	-	-	-	-	4.46
LS&WB Campuses	57.4	-	-	-	-	-	12.25	28.72	16.46	-	-	-	-	-	-	57.43
Pembroke Dock Marine	13.9	-	3.58	0.30	13.10	0.50	-	-	-	-	-	-	-	-	-	17.48
Pentre Awel	108.19	-	-	0.04	19.79	24.28	33.42	30.70	-	-	-	-	-	-	-	108.23
Supporting Innovation and Low Carbon Growth	5.5	-	-	0.55	3.30	1.65	-	-	-	-	-	-	-	-	-	5.50
Swansea Waterfront	39.9	-	1.00	-	12.72	20.65	0.26	0.30	0.30	0.30	0.33	0.34	0.34	0.34	0.34	36.88
Yr Egin	1.5	0.36	-	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	1.68
Grand Total	623	0.36	19.18	7.37	54.63	52.90	120.10	132.89	119.48	129.92	0.45	0.46	0.46	0.46	0.46	638.66

Budget

Programme/Project	Target Investment £m	Cumulative Actuals (20th Mar 2017 to 31st Mar 2021) (£m)	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total (£m)
			Year 4 2021-22	Year 5 2022-23	Year 6 2023-24	Year 7 2024-25	Year 8 2025-26	Year 9 2026-27	Year 10 2027-28	Year 11 2028-29	Year 12 2029-30	Year 13 2030-31	Year 14 2031-32	Year 15 2032-33		
			(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)		
Digital Infrastructure	-	-	-	4.50	5.50	5.50	1.00	-	-	-	-	-	-	-	-	16.50
Homes as Power Stations	-	-	-	-	-	70.75	73.05	102.60	129.50	-	-	-	-	-	-	375.90
Skills & Talent	-	-	0.25	0.50	1.00	1.25	1.00	-	-	-	-	-	-	-	-	4.00
LS&WB Campuses	-	-	-	-	-	-	12.25	28.72	16.47	-	-	-	-	-	-	57.44
Pembroke Dock Marine	-	-	7.24	6.78	4.67	1.09	-	-	-	-	-	-	-	-	-	19.78
Pentre Awel	-	-	-	19.79	24.28	33.42	30.70	-	-	-	-	-	-	-	-	108.19
Supporting Innovation and Low Carbon Growth	-	-	-	1.22	1.83	2.44	-	-	-	-	-	-	-	-	-	5.49
Swansea Waterfront	-	-	2.49	13.25	14.00	4.04	4.13	1.00	1.00	-	-	-	-	-	-	39.91
Yr Egin	-	-	-	-	1.50	-	-	-	-	-	-	-	-	-	-	1.50
Grand Total	-	-	9.98	46.04	52.78	118.49	122.13	132.32	146.97	-	-	-	-	-	-	628.71

Variance

Programme/Project	Target Investment £m	Cumulative Actuals (20th Mar 2017 to 31st Mar 2021) (£m)	Actual	Actual / Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total (£m)													
			Year 4 2021-22	Year 5 2022-23	Year 6 2023-24	Year 7 2024-25	Year 8 2025-26	Year 9 2026-27	Year 10 2027-28	Year 11 2028-29	Year 12 2029-30	Year 13 2030-31	Year 14 2031-32	Year 15 2032-33															
			(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)															
Digital Infrastructure	16.5	-	14.60	-	14.60	0.50	1.00	-	2.50	-	-	-	-	-	-	29.20													
Homes as Power Stations	375.9	-	-	-	1.40	-	70.75	3.70	29.55	26.90	-	129.50	-	-	-	-													
Skills & Talent	4	-	0.46	0.25	-	0.46	0.10	0.05	-	0.20	-	-	-	-	-	0.92													
LS&WB Campuses	57.4	-	0.01	-	-	-	-	-	-	0.01	-	-	-	-	-	0.02													
Pembroke Dock Marine	13.9	-	2.30	3.66	6.48	-	8.43	0.59	-	-	-	-	-	-	-	4.60													
Pentre Awel	108.19	-	0.03	-	19.76	4.49	9.14	-	2.72	-	30.70	-	-	-	-	0.07													
Supporting Innovation and Low Carbon Growth	5.5	-	0.01	-	0.67	-	1.47	0.79	-	-	-	-	-	-	-	0.02													
Swansea Waterfront	39.9	-	3.03	1.49	13.25	1.28	-	16.61	3.87	0.70	0.70	-	0.30	-	0.33	-	0.34	-	0.34	-	0.34	-	0.34	-	0.34	6.06			
Yr Egin	1.5	-	0.18	-	-	0.12	1.38	-	0.12	-	0.12	-	0.12	-	0.12	-	0.12	-	0.12	-	0.12	-	0.12	-	0.12	-	0.00		
Grand Total	623	-	9.95	-	9.20	38.68	-	1.85	65.59	2.03	-	0.57	27.49	-	129.92	-	0.45	-	0.46	-	0.46	-	0.46	-	0.46	-	0.46	-	9.59

5. Project Breakdowns

Programme/Project	DIGITAL INFRASTRUCTURE	Reporting period	Jan-23 (Q4)
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Total estimated private sector investment	£16.5m
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RAG status	Green
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RAG explanation	The programme has assessed private sector investment for the first year of delivery (2021 – 22) which has significantly exceeded the target for the year, it is anticipated that the remaining private sector contribution will have been achieved in 2022 – 23. This private sector investment has been secured through infrastructure deployments that the region and partners have lobbied for, stimulated, supported, and facilitated.
Changes from last period	N/A. First reporting period. Due to the timeframe for deployment, we will provide an annual update on both private and public sector investment.

Actual private sector investment to date

Private sector investment secured to date (£)	£14,555,172.40 – Private sector investment excluding Virgin Media Whilst the region benefitted from an additional investment of £7,252,000.00 from Virgin Media’s network upgrade. Neither we, our regional or national partners contributed to this work and therefore we have excluded it from our programme investment figures. Virgin Media began a UK-wide programme to upgrade their network, this will be fully completed by the end of 2028. This was essentially a software-based upgrade and therefore should have a margin cost close to zero, given Virgin Media's network size. However, some estimates of a per premise upgrade delivery cost range between £50 and £100. Farrpoint were commissioned to quantify both public and private sector investment in digital infrastructure across the region in 2021 - 22. Full details are in their report. Total private sector investment in digital infrastructure across the region for 2021 – 22 including Virgin Media was £21,807,172.40.
Detail each investment source and type of investment	Virgin Media - £7,252,000.00 Other infrastructure suppliers - Rural - £11,698,223.04 Other infrastructure suppliers - Urban - £2,856,949.36
On target Y/N	Y

Financial forecast for private sector investment

Private Investment Component (£m)									
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	31-32	32-33	Total
Connected Places		2.50	2.50	2.50					7.50
Rural Connectivity	1.00	1.00	1.00	1.00					4.00
Next Gen Wireless	3.00	1.00	1.00						5.00
									0.00
Total Investment Forecast (£m)	4.00	4.50	4.50	3.50	0.00	0.00	0.00	0.00	16.50

Forecasted Rationale**[Details for anticipated private sector investment by type, value (£), stage and source]**

Type	Detail	Value	Source	Stage
Capital build	Farrpoint report and investment modelling spreadsheet.	£14,555,172.40	Infrastructure suppliers excluding Virgin Media	Complete
Building fit out	n/a			
Rental/tenancy	n/a			
R&D	n/a			
Match funding	n/a			
Collaboration	Public sector partners, programmes and projects will work with the private sector to leverage investment into the region. Industry has invested on top of this, which has resulted in accelerated deployment across the region.	Contributing to the above	SBCD partners Welsh Government UK Government (DCMS and BDUK) DIPMO Suppliers – Openreach, OGI, Dyfed IT (Voneus), Broadway, WeFibre, Dragon Wi-fi.	Complete
Equipment	n/a			
In-kind contributions	n/a			
Skills development	n/a			
Other				

Programme/Project	SKILLS AND TALENT INITIATIVE	Reporting period	April 23
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Total estimated private sector investment	£4m
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RAG status	Green	
RAG explanation	Skills and Talent private investment comes directly from Apprentices recruited throughout the City Deal Programme, specifically their wage amounts. Additionally, nine pilot projects have been approved to date with £390,300 of in-kind and £35,000.00 of cash contributions already committed. Progress will be reported via quarterly claims. This element is added value private investment. Target against profile achieved.	
Changes from last period Sept 22 (Q2)	Apprentices' wages and Approved Pilot Project target amounts.	

Actual private sector investment to date	
Private sector investment secured to date (£)	£536,764.80
Detail each investment source and type of investment	Apprentice wages across 8 city deal projects.
On target Y/N	Y

Financial forecast for private sector investment												
Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
	0.50	1.10	1.20	1.20								4
												0
												0
												0
												0
Total Investment Forecast (£m)	0.50	1.10	1.20	1.20	0	0	0	0	0	0	0	4

Forecasted rationale				
[Details for anticipated private sector investment by type, value (£), stage and source]				
Type	Detail	Value	Source	Stage
Capital build				
Building fit out				
Rental/tenancy				
R&D				
Match funding	Towards Pilot projects. The total Private match funding will not be realised until completion of Pilots (2 years) throughout the lifespan of the Programme. This element of Private investment is value added, and will be expected to increase as each new project application is approved. Actual investment will be reported as Pilots go through their quarterly claims process.	Currently £425,300	Private sector in kind and cash match funding	9 pilots approved. With more in the pipeline.
Collaboration				

Equipment				
In-kind contributions				
Skills development				
Other	Apprentices Recruited Wages. With current investment for 77 apprentices already confirmed, the target of £4m over 3,000 apprentices should be exceeded	£4 m	Private Sector	77 confirmed

Programme/Project	HOMES AS POWER STATIONS (HAPS)	Reporting period	March 23 (Q4)
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Total estimated private sector investment	£375.9m
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RAG status	Green
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RAG explanation	Programme in early stages of deployment and exact breakdown and expected value of contribution across the various project activities has yet to be determined. Not due to report until 2025/26 so currently confident of achieving full contribution
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Changes from Last period Sept 22 (Q2)	None
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Actual private sector investment to date

Private sector investment secured to date (£)	£1,399,487
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Detail each investment source and type of investment	Private sector developer build costs for new build developments and retrofits
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On target Y/N	Y
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Financial forecast for private sector investment

Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
	1.4			69.35	73.05	102.60	129.50					375.90
												0.00
												0.00
Total Investment Forecast (£m)	1.40	0.00	0.00	69.35	73.05	102.60	129.50	0.00	0.00	0.00	0.00	375.90

Forecasted rationale
[Details for anticipated private sector investment by type, value (£), stage and source]

Type	Detail	Value	Source	Stage
Capital build	Private sector developer build costs for new build developments and Private sector finance. Cost of construction minus public grants and any CD contribution	Tbc	Linked to individual scheme funding packages and RSL borrowing costs.	Early analysis underway
Building fit out	Private sector contribution to retrofits Cost of retrofit minus public grants and any CD contribution	Tbc	Home owners, private rental sector	Early analysis underway
Match funding	Financial Incentive Fund	£5.75m minimum	£5.75m catalyst fund to add value to ORP, IHP, FLEX fund	Launch Q2/3 2023
	Supply chain development (direct leverage) - supporting approx. 50% capital costs and will secure at least 50% private sector investment.	£7m minimum	Private sector	Launch Q3/4 2023
Rental/tenancy				
R&D				
Collaboration				
Equipment				
In-kind contributions				
Skills development				
Other				

Programme/Project	YR EGIN 1 & 2	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	YE 1 & 2 £1.5
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RAG status	Green
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RAG explanation	Yr Egin 1 is operational with anchor tenant and other tenants secured bringing in rental. Yr Egin 2 is currently undergoing a change control process.
Changes since last period Sept 22 (Q2)	No changes to private sector investment since last quarter. Yr Egin 1 rentals now reported.

Actual private sector investment to date

Private sector investment secured to date (£)	£0.36M
Detail each investment source and type of investment	Tenant rental and service charge income
On target Y/N	Yes

Financial forecast for private sector investment

Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
Yr Egin 1	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	1.32
Yr Egin 2 (tbc)												0
												0
												0
Total Investment Forecast (£m)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	1.32

TBC

Forecasted rationale [Details for anticipated private sector investment by type, value (£), stage and source]

Type	Detail	Value	Source	Stage
Capital build				
Building fit out	Tenant contributions	TBC	Private sector	For remaining period to 2033
Rental/tenancy	Rental and service charge income	£1.68M	UWTSD Financial Reporting	Ongoing
R&D				
Match funding				
Collaboration				
Equipment				
In-kind contributions				
Skills development				
Other	Economic impact in Carmarthenshire of S4C location in Egin 1	£18.2M per annum	S4C report and accounts 2021/22	Ongoing

Programme/Project	SWANSEA WATERFRONT	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	£39.9m
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RAG status	Amber
RAG explanation	Arena: In delivery, ATG appointed as managers. Kingsway: Contractor in place, leasing/marketing agents appointed. Hotel: Developer appointed, agreements under negotiation however may not achieve full £19m from private sector. Innovation Matrix: Commenced on site Innovation Precinct: Ongoing discussions with private sector developer, centered around Innovation Precinct Change Control Process
Changes from past period Sept 22 (Q2)	Innovation Matrix commenced on site. IP Change Control Process drafted and in discussion with SBCD. Private sector engagement begun but very early and preliminary discussions at this time.

Actual private sector investment to date	
Private sector investment secured to date (£)	£1m
Detail each investment source and type of investment	ATG for Arena fit out
On target Y/N	N - Forecast investment down by £3m

Financial forecast for private sector investment												
Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
Arena	1.00											1.00
Hotel		10.00	9.00									19.00
Kingsway		2.50	2.50									5.00
Innov. Matrix		0.22	0.25	0.26	0.3	0.3	0.3	0.33	0.34	0.34	0.34	2.98
Innov. Precinct			8.90									8.90
Total Investment Forecast (£m)	1.00	12.72	20.65	0.26	0.30	0.30	0.30	0.33	0.34	0.34	0.34	36.88

Forecasted rationale				
[Details for anticipated private sector investment by type, value (£), stage and source]				
Type	Detail	Value	Source	Stage
Capital build	Hotel	£19m	Private sector	
Building fit out	ATG fit out	£1m	Private sector	
Rental/tenancy	Kingsway	£5m	Private sector	
	Innovation Matrix	£3m	Private sector	
R&D				
Match funding	Innovation Precinct	£8.9m	Private sector	Preliminary discussions
Collaboration				
Equipment				
In-kind contributions				
Skills development				
Other				

Programme/Project	SUPPORTING INNOVATION AND LOW CARBON GROWTH	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	£5.5m
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RAG status	Green
RAG explanation	The property development fund first round has closed and the fund is currently oversubscribed.
Changes from last period Sept 22 (Q2)	

Actual private sector investment to date	
Private sector investment secured to date (£)	0
Detail each investment source and type of investment	
On target Y/N	N – forecasted implementation delayed by 1 year

Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
Property Dev Fund	0.55	3.30	1.65									5.50
												0
												0
												0
Total Investment Forecast (£m)	0.55	3.30	1.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50

Forecasted rationale [Details for anticipated private sector investment by type, value (£), stage and source]				
Type	Detail	Value	Source	Stage
Capital build				
Building fit out				
Rental/tenancy				
R&D				
Match funding	Property development fund applications	£5.5m	Private sector	Applications closed and under assessment
Collaboration				
Equipment				
In-kind contributions				
Skills development				
Other				

Programme/Project	PENTRE AWEL	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	£108,19
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RAG status	Green/Amber
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RAG explanation	Direct private investment not required for Zone 1. Private investment will be required for subsequent zones as detailed in forecast below. PMO reasonably confident that this will be achieved due to advanced nature of discussions and market demand. Forecast below indicates appx. achievement timeline
Changes from last period Sept 22 (Q2)	In parallel with construction of zone 1, pilot projects have been delivered which have attracted some early private sector contributions as detailed below.

Actual private sector investment to date	
Private sector investment secured to date (£)	Circa £35k from pilot project activity
Detail each investment source and type of investment	Oxygen Pilot – approx. £25k Environmental pilot – approx. £10k
On target Y/N	Yes

Financial forecast for private sector investment							
Private Investment Component (£m)							
Financial Year	22-23	23-24	24-25	25-26	26-27	32-33	Total
		19.79	24.28	33.42	30.70		108.19
Life Science BC							0.00
Care and resi rehab Unit							0.00
Assisted living							0.00
Hotel							
Open Market resi							0.00
Social Hsng							
Total Investment Forecast (£m)	0.00	19.79	24.28	33.42	30.70	0.00	108.19

Forecasted rationale				
[Details for anticipated private sector investment by type, value (£), stage and source]				
Type	Detail	Value	Source	Stage
Capital build (Latter phase development)	Expansion Life Science Business Centre	£25.6m	Private	
	Nursing Care and Residential Rehab Unit	£19m	CCC / ICF / Private	Proportion CCC/private?
	Assisted Living (inc. extra care facility and individual dwellings)	£27.5	Private	
	Wellness Hotel	£16.9m	Private	
	Open market residential	£12.7m	Private	
	Affordable/Social housing	£6.5m	Private	
Building fit out	Commissioning	tbc	Private sector	
Rental/tenancy	Rentals	tbc	Private sector	
R&D				
Match funding				
Collaboration				

Equipment				
In-kind contributions				
Skills development				
Other	Student fees	TBC		

Programme/Project	CAMPUSES	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	£57.4m
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RAG status	Red
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RAG explanation	Challenging to advance conversations towards conclusion when funding agreement is still not in place
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Actual private sector investment to date

Private sector investment secured to date (£)	0
Detail each investment source and type of investment	
On target Y/N	

Forecasted rationale


Financial forecast for private sector investment									
Private Investment Component (£m)									
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	32-33	Total
Swansea Bay Sports Park				7.02	16.47	9.44			32.93
Morrison Life Science Park				5.23	12.25	7.02			24.50
									0.00
									0.00
									0.00
Total Investment Forecast (£m)	0	0	0	12.25	28.72	16.46	0.00	0.00	57.43

[Details for anticipated private sector investment by type, value (£), stage and source]

Type	Detail	Value	Source	Stage
Capital build Swansea Bay Sports Park	Development Partnerships	£32,931,147	Commercial partnerships, Sports Governing Bodies and Professional Teams, Tenants in incubation space, Students, VC Funds and investment partners	Engagement ongoing
Capital Build Morrison Life Science Park	Health Care providers and Private Companies	£24,500,853	Various private sector partners, tenants in incubation space	Engagement ongoing

Programme/Project	PEMBROKE DOCK MARINE	Reporting period	Jan 23 (Q4)
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Total estimated private sector investment	£13.9m
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RAG status	Green	
RAG explanation	PDI: The project has already reported 3.58m contribution and the board of the Trust Port of Milford Haven has approved the capex investment of £13.9m META: 3 berthing agreements signed over the last year. Expecting 3 – 4 berth agreements for short term marine energy testing per year.	
Changes from last period Sept 22 (Q2)	Template updated to reflect earlier contributions	

Actual private sector investment to date	
Private sector investment secured to date (£)	£17.48m
Detail each investment source and type of investment	The Board of the Trust Port of Milford Haven has approved the capex investment of £13.9m
On target Y/N	y

Financial forecast for private sector investments												
Private Investment Component (£m)												
Financial Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
PDI	0.3	13.1	0.5									13.9
MEECE												
PDZ												
META												
Total Investment Forecast (£m)	0.3	13.1	0.5									13.9

Forecasted rationale				
[Details for anticipated private sector investment by type, value (£), stage and source]				
Type	Detail	Value	Source	Stage
Capital build	PoMH Cap ex	£13.9m	PoMH	committed
Building fit out				
Rental/tenancy	Berthing Fees (operating income rather than private sector investment)	£ 550 K	META site users	Ongoing
	Rental and fees slipways, laydown, hangars, and offices	TBC	PoMH /private	Early neg.
R&D				
Match funding				
Collaboration				
Equipment				
In-kind contributions				
Skills development				
Other	Local spend by users of META sites (boat charter, local services, accommodation for staff, etc.)	£ 250K	META site users	Ongoing

Agenda Item 9



Swansea Bay City Region Joint Committee - 11 May 2023

Joint Committee Forward Work Plan

Purpose:	To inform Joint Committee of the latest Forward Work Plan
Policy Framework:	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
Recommendation(s):	It is recommended that Swansea Bay City Region Joint committee: 1) Reviews and agrees the proposed Forward Work Plan as Appendix A
Report Author:	Amanda Halfhide (Senior Portfolio Support Officer)
Finance Officer:	Chris Moore, Section 151 Officer, SBCD
Legal Officer:	Tracey Meredith, Monitoring Officer, SBCD

1. Introduction

- 1.1 The Joint Committee (JC) work programme, attached at Appendix A, summarises the planned activity for the SBCD Portfolio over the next 6/12 months. This document will be revised every 6 months and presented to Joint Committee members.

2. Background

- 2.1 The Joint Committee Forward Work Plan will be monitored by JC and updated by the PoMO to support the planning and communication of SBCD progress.

3. Financial Implications

- 3.1 There are no financial implications associated with this report.

4. Legal Implications

4.1 There are no legal implications associated with this report.

Background Papers: None

Appendices:

Appendix A: Joint Committee Forward Work Plan

Joint Committee Work Plan May 2023

Appendix A

Category	Action	Development Timeframe	JC Board Date	Responsibility
Governance	SBCD Highlight Report	Monthly	All	PoMO / PB / JC
	Joint Committee Meetings	Bi Monthly	Bi Monthly	SBCD PoMO / Democratic Services
	GVA Proposal	Awaiting formal response from UKG / WG	July 2023	SBCD PoMO / PB / JC
	Update Yr Egin Business Case / Change Request	Q4 2022/23 - Q2 2023/24	November 2023	PoMO / PB / JC / UKG & WG
	Joint Committee Forward Workplan	May 2023	May 2023	PoMO / JC
	Revised Risk Management Strategy	May 2023	July 2023	PoMO / PB / JC
	Private Sector Investment Report	April 2023	May 2023	PoMO / PB / JC
	Yr Egin Update to JC	July 2023	July 2023	PoMO/ PB / JC
	Skills & Talent Update to JC	July 2023	July 2023	PoMO /PB / JC
	SBCD Portfolio Gateway Review	July 2023	July / November 2023	PoMO / PB / JC
	Review PB Chair	July 2023	July 2023	PoMO / PB / JC
	Digital Infrastructure Update to JC	July 2023	July 2023	PoMO / PB / JC
	Review Joint Committee Terms of Reference	TBC	TBC	SBCD PoMO /JC
	Review ESB Chair (annual basis) (In line with arrangements for CJC advisory panel for 2023)	October 2023	November 2023	PoMO / ESB / JC
	Elect Joint Committee chair (annual basis)	November 2023	November 2023	PoMO / JC
	Declarations of interest - Status Update	November 2023	January 2024	PoMO / PB / ESB / JSC / JC
	Revised Waterfront Business Case	November 2023	Part of monthly update	PoMO / PB / JC
Portfolio Business Case Update	March 2024	April 2024	PoMO / PB / JC / UKG&WG	

	Digital Infrastructure Business Case Update	Q1 2023/24	Part of programme / project Update date TBC	PoMO/ PB / JC
	Skills & Talent Business Case Update	Q1 2023/24	Part of monthly update	PoMO/PB/JC
	PDM Business Case Update	August 2023	Part of monthly update	PoMO / PB / JC
	SILCG Business Case Update	August 2023	November 2023	PoMO / PB / JC
	HAPS Gateway Review	October 2023	November 2023	PoMO / PB / JC
	SBCD Quarterly Monitoring Report <ul style="list-style-type: none"> • Dashboard • Programme / Project activity planned / undertaken • Portfolio Risk Register (Red Risks) • Portfolio Issues Log (Red Issues) • Financial Monitoring / Private Sector Investment • Benefits Realisation Summary • Procurement Pipeline • Private sector investment report 	Q1 (April – June), Q2 (July – September), Q3 (October – December), Q4 (January – March)		SBCD PoMO / JC
	Construction Impact Assessment (Including cost pressure info and mitigations)	Monthly	Bi Monthly	PoMO / PB / JC
	SBCD Ministerial Report	Bi Monthly	Bi Monthly	SBCD PoMO / UKG & WG
	Revised Monitoring & Evaluation Plan	July 2023	November 2023	SBCD PoMO / PB / JC
Comms & Engagement	SBCD Annual Report	January 2023 - May 2023	July 2023	SBCD PoMO / PB / JC
	Comms, Marketing & Engagement Plan review	November 2023	January 2024	PoMO / PB / JC
Legal	Joint Committee Agreement amendments	TBC by Monitoring Officer		JC
Finance	Quarterly Monitoring	Q1, Q2, Q3, Q4	Quarterly	SEC151 Officer / JC
	£5.3m City Deal Funds allocation in principle approved to NPTC for SILCG AMPF (below)	May 2023	May 2023	SEC151 Officer / PoMO / PB / JC

	SILCG - Enhanced Advanced Manufacturing Production Facility BC submitted for approval	June 2023	July 2023	PoMO / Project Leads / PB / JC
	Internal Audit Recommendation Report (2022/23)	April 2023	May 2023	PoMO / PB / JC
	NNDR Process - Letter confirming approval when process agreed – subject to confirmation WG	November 2023	November 2023	SEC151 Officer / JC
	Internal Audit Terms of Reference (2023/24)	November 2023	November 2023	SEC151 Officer / PoMO / PB / JC
	Joint Committee Annual Budget	Q1 2023/24	July 2023	SEC151 Officer / JC
	Audit Wales Detailed Audit Plan 2023	May 2023	July 2023	SEC151 Officer / Audit / JC
	Audit Wales Audit of Financial Statements Report 2023	August – November 2023	November 2023	SEC151 Officer / JC