

Cyd-Bwyllgor Dinas-Ranbarth Bae Abertawe

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

Dyddiad: Dydd Iau, 12 Hydref 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

Gwyllo ar-lein: <https://bit.ly/45clE8Y>

Agenda

Rhif y Dudalen

1 Ymddiheuriadau am absenoldeb.

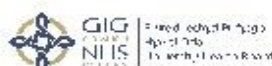
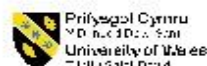
2 Datgeliadau o fuddiannau personol a rhagfarnol.

<http://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**
Questions can be submitted in writing to Democratic Services democracy@swansea.gov.uk up until noon on the working day prior to the meeting. Written questions take precedence. Public may attend and ask questions in person if time allows. Questions must relate to items on the open part of the agenda and will be dealt within a 10 minute period.
- 6 Monitro Ariannol Chwarter 1 2023/24. 4 - 11**
- 7 Adroddiad Uchafbwyntiau Bargen Ddinesig Bae Abertawe. 12 - 25**
- 8 Asesiad Effaith Adeiladu. 26 - 36**
- 9 Adroddiad Argymhellion a Chynllun Gweithredu Adolygiad Portffolio Gateway. 37 - 55**

Cyfarfod nesaf: Dydd Iau, 16 Tachwedd 2023 am 1.30 pm

Huw Evans

**Huw Evans
Pennaeth y Gwasanaethau Democraidd
Dydd Gwener, 6 Hydref 2023**

Cyswllt: Gwasanaethau Democraidd - 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, 27 July 2023 at 2.30 pm

Present:

Councillors:

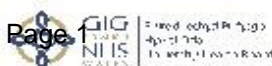
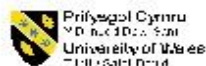
Steve Hunt	Neath Port Talbot Council
Alun Lenny	Carmarthenshire County Council
David Simpson	Pembrokeshire Council
Rob Stewart	Swansea Council

Officers:

Steven TO Aldred-Jones	Carmarthenshire Council
Jason Blewitt	Audit Wales
Richard Brown	Assistant Chief Executive (Pembrokeshire Council)
Jonathan Burnes	Director (Swansea Bay City Region)
Samantha Cutlan	Swansea Bay City Deal
Matthew Holder	Swansea Bay City Region
Gareth Jones	Digital Infrastructure (Swansea Bay City Region)
Karen Jones	Chief Executive (Neath Port Talbot Council)
Allison Lowe	Swansea Council
Chris Moore	Joint S151 Officer (Carmarthenshire Council)
Martin Nicholls	Chief Executive (Swansea Council)
Debbie Smith	Deputy Monitoring Officer (Swansea Council)
Wendy Walters	Chief Executive (Carmarthenshire Council)

Apologies for Absence:

Councillor(s) Darren Price (Carmarthenshire County Council)
Maria Battle (Hywel Dda University Health Board), Paul Boyle (Swansea University) and Medwin Hughes (University of Wales Trinity Saint David)
William Bramble (Chief Executive (Pembrokeshire Council)) and Tracey Meredith (Joint Committee Monitoring Officer (Swansea Council))



1 Election of Swansea Bay City Region Joint Committee Chair.

Resolved that Councillor R C Stewart be elected Chair of the Swansea Bay City Region Joint Committee.

Councillor R C Stewart (Chair) Presided

2 Disclosures of Personal and Prejudicial Interests.

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

3 Minutes.

Resolved that the Minutes of the Swansea Bay City Region Joint Committee held on 11 May 2023 be approved and signed as a correct record.

4 Announcement(s) of the Chair.

There were no announcements made.

5 Public Questions

There were no public questions.

6 Internal Audit Recommendation Report 2022-23. (Matthew Holder)

Matthew Holder, Swansea Bay City Deal presented a report to consider and approve the findings and actions of the 2022-23 Internal Audit review into the Swansea Bay City Deal (SBCD) Portfolio.

Resolved that the Swansea Bay City Region Joint Committee approves the findings and actions of the 2022-23 Internal Audit review into the SBCD Portfolio.

7 Audit Wales Outline Plan 2023.

Jason Blewitt, Audit Wales outlined the plan and scope in respect of the external audit outlined at Appendix A, to be undertaken by Audit Wales of the Swansea Bay City Deal Joint Committee Statement of Accounts 2022/23.

Resolved that the Swansea Bay City Region Joint Committee approves the proposed plan and scope of the external audit to be undertaken by Audit Wales on the Swansea Bay City Deal Joint Committee Statement of Accounts 2022/23.

8 Skills and Talent Programme Update.

Samantha Cutlan presented a "For Information" report accompanied by a presentation, to inform Swansea Bay City Region Joint Committee of the progress made and the status of the Skills and Talent initiative.

9 Digital Infrastructure Programme Update.

Gareth Jones provided a "For Information" report accompanied by a presentation, to inform Swansea Bay City Region Joint Committee of the progress made and status of the Swansea Bay City Deal Digital Infrastructure Programme.

10 Swansea Bay City Deal Quarterly Portfolio Monitoring.

Jonathan Burnes, Swansea Bay City Deal provided a "For Information" report to inform Swansea Bay City Region Joint Committee of the Swansea Bay City Deal Quarterly Monitoring Report for both the Swansea Bay City Deal Portfolio and its constituent programmes / projects.

11 Q4 2022/23 Financial Monitoring - Final Outturn Position.

Chris Moore, Section 151 Officer introduced Steven TO Aldred-Jones, who had replaced Richard Arnold as Regional Finance Manager to the Committee.

The Section 151 Officer presented a report to provide Swansea Bay City Region Joint Committee with the final outturn position for 2022/23 for the Swansea Bay City Region.

Resolved that the Swansea Bay City Region Joint Committee approves the final outturn position for 2022/23.

12 Swansea Bay City Region Joint Committee Pre-Audit Joint Committee Statement of Accounts.

Chris Moore, Section 151 Officer presented a report to provide Swansea Bay City Region Joint Committee with the Joint Committee Pre-Audit Annual Statement of Accounts 2022/23, outlined at Appendix A for the Swansea Bay City Deal.

Resolved that Swansea Bay City Region Joint Committee approves the Pre-Audit Annual Statement of Accounts.

13 Swansea Bay City Deal Annual Report 2022-23.

Jonathan Burnes on behalf of Heidi Harris, Swansea Bay City Deal presented a report which sought approval from the Swansea Bay City Region Joint Committee on the final version of the Swansea Bay City Deal Annual Report April 2022-March 2023 outlined at Appendix A.

Resolved that the Swansea Bay City Region Joint Committee approves the Swansea Bay City Deal Annual Report 2022-2023.

The meeting ended at 4.06 pm

Chair

Agenda Item 6



Swansea Bay City Region Joint Committee - 12 October 2023

Quarter 1 2023/24 Financial Monitoring

Purpose:	To provide Joint Committee with an update on the latest financial position of the Swansea Bay City Region.
Policy Framework:	Swansea Bay City Deal
Consultation:	Accountable Body
Recommendation(s):	It is recommended that Joint Committee 1) Review and approve the financial monitoring update report
Report Author:	Chris Moore
Finance Officer:	Chris Moore, Section 151 Officer, SBCD
Legal Officer:	Debbie Smith, Deputy Monitoring Officer, SBCD

1. Introduction

This report details the forecasted year end outturn position of the Joint Committee and the Portfolio Investment Fund. The Financial Monitoring Report presents the City Deal Accounts in a detailed format, in line with Carmarthenshire County Council's financial management system.

2. JOINT COMMITTEE – Estimated Forecast Outturn Position

2.1. Supplementary Information

The outturn position includes 'Top Slice' of Government Grants in terms of income. On drawdown of government grants, 1.5% of this will be utilised to support the PoMO and the direct administration functions of the Portfolio. Any contribution from Government grants utilised within the financial year will be transferred to a ring-fenced reserve at year end, for utilisation in future years.

In June 2022 Joint Committee has previously agreed and set a five-year operational budget which has been revised on a continual basis. Since this period the operational budget has been reviewed and a detailed breakdown of the Joint Committee - Provisional Quarter 1 Outturn Position Financial Year 2023/24 is included in Appendix A.

2.2. Joint Committee and Accountable Body

The Joint Committee and Accountable Body expenditure forecast is estimated at £2,275k. This is in respect of democratic support, support of the portfolio monitoring officer and legal fees in respect of the funding agreements. Internal audit has been forecasted. The Accountable Body expenditure is attributable to service provision by the Portfolio Section 151 Officer to the Swansea Bay City Deal and the annual external audit review by Audit Wales.

The accrued interest in residual cash balances is invested in line with Carmarthenshire County Council's approved Treasury Management Strategy. Any interest accrued on such cash balances is dispersed back to projects on an appropriate apportionment methodology (JC – 11 June 2020). The accounting management of this has been amended to clearly demonstrate the interest accrued and paid out. The accrued interest for 2023-24 is estimated at £1,535k.

2.3. Joint Scrutiny Committee

The Joint Scrutiny Committee expenditure consists of democratic services and related costs, provided by Neath Port Talbot County Borough Council. This has been forecasted at £22k.

2.4. Portfolio Management Office (PoMO)

For the period ending 31st March 2024 the expenditure is estimated at £668k. The PoMO staffing cost is estimated at £535k which includes the expected 2023-24 pay adjustment of 5%. There is an underspend of £46k against budget, this is due to all posts being budgeted at the top of grade and savings due to in year temporary staffing vacancies.

Rents and service charges in respect of office space total £23k, fees including consultancy and gateway reviews have been forecast at £27k which includes project management software purchased, and conferences, marketing and advertising estimated at £54k including the annual event. Central Recharges of £28k has been included being the contribution to Carmarthenshire County Council as the host Authority's costs for supporting the PoMO. These include payroll, Pensions, Creditors, Debtors, Human Resources support, Information Technology Support, financial systems support, Chief executive administration support, employee support and all necessary insurances.

2.5. Income

Total income for the year demonstrates £2,295k. This consists of anticipated drawdown of 'Top Slice' of £761k from the dispersed grant awards and estimated interest derived from cash balances £1,535k.

2.6. Financial Monitoring - Statement of Balances

The prior year (2022/23) balance carried forward in reserve demonstrates £153.5k. Currently the estimated year end position of the City Deal accounts demonstrates a deficit of £100.2k, this is due to a timing effect attached to the grant dispersed to projects/programmes within the year. This results in an anticipated reserve of £53.3k at year end.

3. PORTFOLIO INVESTMENT FUND – Forecast Outturn Position

3.1. Provisional Portfolio Investment Outturn Position

The overall estimated investment position is demonstrated at £1.255bn (Quarter 4 2022/23 - £1.256bn) over the fifteen-year life of the portfolio. The revised budget (Quarter 1 2022/23) comprised of a total investment of £1.246bn, currently the City Deal is presenting a small over investment against the revised budget of £9m. At the time of reporting, up to date figures for future years were not available for the Yr Egin and the Innovation Precinct.

Details of significant variances are outlined below:

Digital Infrastructure is demonstrating £15.8m over investment against budget mainly due to additional private sector funding.

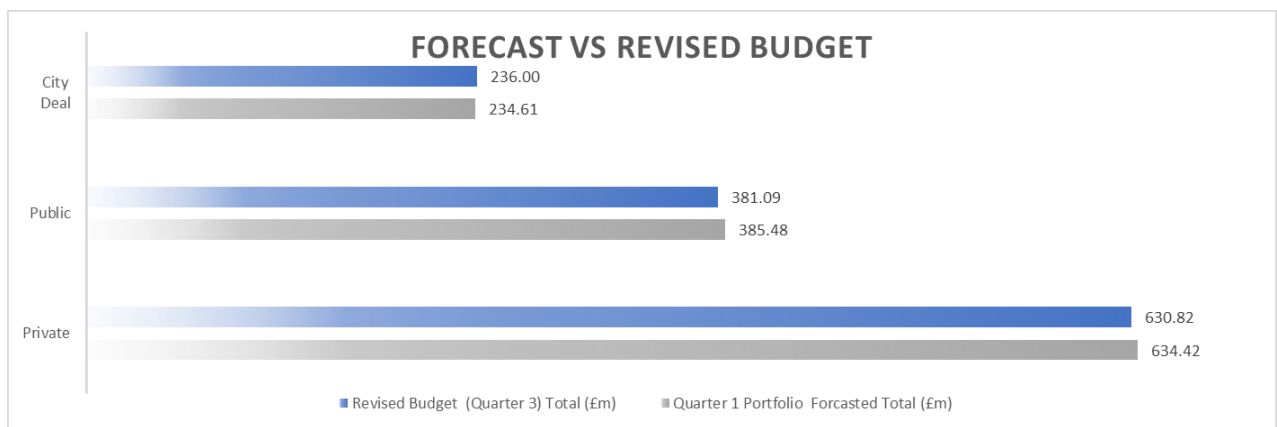
Swansea Arena is currently demonstrating an underinvestment of £6m against budget due to the reappropriation of costs across the whole Copr Bay site. Work on final costs is still being undertaken and will be reported on in Quarter 2 in line with the amended programme being agreed with the contractor. The Innovation Matrix is currently demonstrating an over investment of £2m, which is being reviewed during quarter 3. A business case revision is currently being undertaken with a review of financials included.

Pentre Awel has commenced construction and is demonstrating £6m over investment against budget. Work is estimated to be completed during Autumn 2024.

The PDI element of the PDM project is now demonstrating a total investment of £48m project (increased from £41.5m at Approval), the majority of which has come from WEFO (increase from circa £7m to £12m) and the balance from private (port) sources.

Prior Quarter Portfolio Forecasted Total (£m)	Investment Component	Revised Budget (Quarter 3) Total (£m)	Quarter 1 Portfolio Forecasted Total (£m)	Variance (£m)	Variance
235.70	City Deal	236.00	234.61	-1.39	-0.59%
382.00	Public	381.09	385.48	4.39	1.15%
638.66	Private	630.82	634.42	3.61	0.57%
1,256.36	Grand Total	1,247.91	1,254.52	6.61	0.53%

Prior Quarter Programme/Project Forecast Total (£m)	Programme/Projects	Quarter 1 Forecast				Revised Budget (Quarter 1) Total (£m)	Variance (£m)	Variance (%)
		City Deal Investment (£m)	Public Sector Investment (£m)	Private Sector Investment (£m)	Programme/Project Total (£m)			
69	Digital Infrastructure	25	18	28	71	55	16	29%
506	Homes as Power Stations	15	115	376	506	506	-	0%
131	LS&WB Campuses	15	59	62	136	135	1	1%
64	Pembroke Dock Marine	27	19	17	63	60	3	4%
200	Pentre Awel	40	58	108	206	200	6	3%
30	Skills & Talent	10	16	4	30	30	-	0%
60	Supporting Innovation and Low Carbon Growth	48	6	6	59	59	-	0%
171	Swansea Waterfront	50	77	33	159	178	-18	-10%
25	Yr Egin	5	19	2	25	25	0	0%
1,256	Grand Total	235	385	634	1,255	1,248	7	1%



3.2. Provisional Annual Investment Forecast 2023/24

The forecast estimated investment for the financial year ending 31st March 2024 is demonstrated at £133.1m. The annual investment forecast is currently demonstrating an annual under-investment of £54.2m, in respect of the following:

The PDI element of the PDM project is now demonstrating a total investment of £48m project (increased from £41.5m at Approval), the majority of which has come from WEFO (increase from circa £7m to £12m) and the balance from private (port) sources.

Digital Infrastructure’s public and private sector spends are behind profile due to funding agreements not yet being signed. Accurate public and private sector investment figures have been established for 2021/22 which have now been included following completion of an externally commissioned benefits realisation exercise which was conducted by Farrpoint and completed in January 2022. This exercise will be undertaken on an annual basis to accurately determine levels of public and private inward investment however, this assessment requires information and data that is not released until the Autumn of the year following which it is reported. This will therefore continue to require retrospective updated investment reporting to reflect the actual and accurate public and private investment.

Yr Egin Phase 2 (the active component of the wider Egin project) is currently going through a change notification process to significantly change the delivery methodology. This will have a significant impact on the project investment once more up to date costings are identified via expert consultants. This should be in place by September 2023.

The HAPS project will soon launch the Financial Incentives Fund (FIF) with payment to successful schemes being made following installation of the HAPS technologies. In some cases, monitoring will take place for up to 12 months prior to technology being installed. This has resulted in moving the profile of defrayed spend for the £5.75m FIF into latter years than originally profiled.

The HAPS project has now recruited and successfully filled the post of HAPS Supply Chain Lead and will be launching the Supply Chain Fund this year, however it is unlikely there will be spend of over £500k during 2023/24 and therefore the majority of the spend has been reprofiled into next year.

Swansea Arena is currently demonstrating an underinvestment of £6m against budget due to the reappropriation of costs across the whole Copr Bay site. Work on final costs is still being undertaken and will be reported on in Quarter 2 in line with the amended programme being agreed with the contractor. The Innovation Matrix is currently demonstrating an over investment of £2m, which will be being reviewed during quarter 3. A business case revision is currently being undertaken with a review of financials included.

The Skills and Talent project is demonstrating slippage in delivery within the year. The project has currently awarded funding to six successful school, further and higher education pilot projects and will review the funding mechanism in the new year. This this is not expected to have an impact on the total investment for the project.

Pentre Awel's annual investment profile was estimated as at quarter 3, currently construction enabling works have commenced and will be completed as at Autumn 2024. Whilst slippage has occurred this financial year due to small spend in the preliminary stages, this will accelerate over the remaining 17-month period of construction. This is not expected to have an impact on the total investment for the project.

The SWITCH project has announced Morgan Sindall as the successful contractor on the 2nd May with a kick off meeting held mid-May with all parties involved. The first design meeting took place on 8th June with subsequent monthly meetings scheduled. The project also met with Swansea University to progress Heads of Terms document.

Portfolio Summary 2023/24

Description	Revised Budget	Quarter 1 Provisional Outturn Position				Variance
		Actuals (to Date)	Commitments	Forecast Commitments	Total Annual Forecast	
		(£)	(£)	(£)	(£)	
City Deal Investment						
Capital	76,959,257	11,877,797	4,692,170	40,932,578	57,502,546	- 19,456,711
Revenue Expenditure (where capital receipts directive applied)	5,037,776	-	-	2,575,935	2,575,935	- 2,461,841
City Deal Total	81,997,033	11,877,797	4,692,170	43,508,513	60,078,480	- 21,918,552
Public Sector Investment						
Capital	49,736,343	3,550,143	5,005,129	40,333,361	48,888,632	- 847,711
Revenue	6,845,658	2,402,465	546,425	1,522,414	4,471,304	- 2,374,354
Public Sector Total	56,582,001	5,952,607	5,551,554	41,855,775	53,359,936	- 3,222,065
Private Sector Investment						
Capital	47,007,411	1,596,000	-	16,734,117	18,330,117	- 28,677,294
Revenue	1,721,273	163,313	1,016	1,142,348	1,306,677	- 414,596
Private Sector Total	48,728,684	1,759,313	1,016	17,876,465	19,636,794	- 29,091,890
Project Total						
Capital	173,703,011	17,023,940	9,697,299	98,000,056	124,721,295	- 48,981,716
Revenue	13,604,707	2,565,778	547,441	5,240,697	8,353,916	- 5,250,791
Project Total	187,307,718	19,589,718	10,244,740	103,240,752	133,075,211	- 54,232,507

Annual Programme Investment Breakdown 2023/24 (Estimated)

Description	Revised Budget	Quarter 1 Provisional Outturn Position				Variance
		Actuals (to Date)	Commitments	Forecast Commitments	Total Annual Forecast	
		(£)	(£)	(£)	(£)	
Digital Infrastructure	15,602,392	-	-	10,102,392	10,102,392	- 5,500,000
Homes as Power Stations	17,466,503	-	-	5,705,503	5,705,503	- 11,761,000
LS&WB Campuses	8,866,505	196,510	709,310	7,960,685	8,866,505	- 0
Pembroke Dock Marine	8,120,992	10,181,591	650,487	10,079,503	20,911,581	12,790,589
Pentre Awel	59,122,658	3,808,913	-	43,308,087	47,117,000	- 12,005,658
Skills & Talent	6,700,000	-	-	2,762,550	2,762,550	- 3,937,450
Supporting Innovation and Low Carbon Growth	28,749,240	-	-	2,615,907	2,615,907	- 26,133,333
Swansea Waterfront*	36,959,428	5,402,705	8,884,943	20,706,125	34,993,773	- 1,965,656
Yr Egin	5,720,000	-	-	-	-	- 5,720,000
Total	187,307,718	19,589,718	10,244,740	103,240,752	133,075,211	- 54,232,507

3.3. Capital and Revenue Apportionment

There is currently an estimated revenue requirement of £56.42m (4.5%) to deliver the city deal projects. This will be supported through the use of the Local Authorities flexible capital receipts directive, and alternative public and private sector commitment. The revenue requirement demonstrates a small change compared with the prior period (Quarter 4 2022/23 - £61m), this is as a result of some small fluctuation across several projects.

Capital/Revenue Summary (Estimated)

Investment Component	Capital Forecast (£m)	Revenue Forecast (£m)	Total Forecast (£m)	Revenue Proportion
City Deal	217.18	17.43	234.61	7.43%
Public	357.27	28.03	385.30	7.27%
Private	623.46	10.96	634.42	1.73%
Grand Total	1,197.92	56.42	1,254.33	4.50%

4. Financial Implications

The forecasted Joint Committee Quarter One out-turn position (as at 30th June 2023) indicates a deficit of £100.2k, which will be supported by the Swansea Bay City Deal ring-fenced reserve at the year end. Expenditure is forecasted at £2,275k, which is offset by the 'Top Slice' of dispersed Government grants of £761k and estimated interest derived from cash balances £1,535k.

The business cases of all nine SBCD Portfolio programmes and projects have now been formally approved and a revised budget was compiled in Quarter One 2022 for the portfolio demonstrating £1.246billion. The estimated portfolio forecasted investment position (as at 30th June 2023) demonstrates over investment against the revised budget of £9m. Currently the portfolio is presenting a total investment over the fifteen-year life span of the Swansea Bay City Region Deal of £1.255billion. This is subject to fluctuation over the life span of the project and will continue to be monitored quarterly through financial templates and through the Portfolio risk register.

5. Legal Implications

There are no legal implications associated with this report.

Background Papers: None

Appendices:

Appendix A – Provisional Quarter 1 Outturn Position Financial Year 2023/24

Appendix A



Joint Committee - Provisional Quarter 1 Outturn Position Financial Year 2023/24 as at 30th June 2023

Description	Actuals 2022/23	Budget 2023/24	Forecast Outturn 2023/24	Variance
	£	£	£	£
Expenditure				
<u>Programme Management Office</u>				
Salary (Inc. On-costs)	486,398	580,576	534,994	- 45,582
Training of Staff	-	27,862	6,000	- 21,862
Rents (The Beacon)	14,889	16,921	15,633	- 1,288
Rates (The Beacon)	6,688	7,472	7,022	- 450
Public Transport - Staff	-	2,185	-	- 2,185
Staff Travelling Expenses	769	17,482	5,500	- 11,982
Admin, Office & Operational Consumables	-	2,732	1,500	- 1,232
Furniture	-	1,071	1,000	- 71
Fees	7,946	27,316	27,000	- 316
ICTs & Computer Hardware	10,927	2,678	-	- 2,678
Subsistence & Meetings Expenses	68	8,741	2,500	- 6,241
Conferences, Marketing & Advertising	11,713	81,947	54,170	- 27,777
Projects & Activities Expenditure	-	15,297	-	- 15,297
Translation/Interpret Services	7,048	10,296	10,700	404
Printing & Copying	105	4,917	2,000	- 2,917
Programme Management Office Total	546,551	807,493	668,019	- 139,474
<u>Accountable Body</u>				
Audit Wales- Financial Audit	11,330	26,780	13,030	- 13,751
Section 151 Officer	56,436	59,268	59,258	- 10
Interest paid Out to Projects	870,633	-	1,534,610	1,534,610
Accountable Body Total	938,399	86,048	1,606,897	1,520,849
<u>Legal and Governance</u>				
Monitoring Officer	36,640	38,198	38,472	274
Legal Advisory Fees	-	26,780	10,000	- 16,780
Legal and Governance Total	36,640	64,978	48,472	- 16,506
<u>Joint Committee</u>				
Room Hire	-	1,986	-	- 1,986
Subsistence & Meeting Expenses	-	3,671	-	- 3,671
Travel	-	-	-	-
Democratic, Scrutiny and Legal Support Costs	26,605	27,737	27,935	198
Joint Committee Total	26,605	33,394	27,935	- 5,459
<u>Joint Scrutiny Committee</u>				
Room Hire	-	-	-	-
Subsistence & Meeting Expenses	-	7,364	-	- 7,364
Travel	-	1,311	-	- 1,311
Democratic, Scrutiny and Legal Support Costs	21,115	22,129	22,171	42
Joint Scrutiny Committee Total	21,115	30,804	22,171	- 8,633
<u>Internal Audit</u>				
Audit Support	21,115	22,013	22,171	158
Internal Audit Total	21,115	22,013	22,171	158
<u>Provision for Unwinding of PoMO</u>				
Redundancies	-	37,674	-	- 37,674
Provision for Unwinding Total	-	37,674	-	37,674
Total Expenditure	1,590,425	1,082,404	2,395,665	1,313,261
<u>Funding Contributions</u>				
Balance C/F from previous year	-	-	-	-
SBCD Grant Revenue Contribution	252,978	723,000	760,858	37,858
Partner Contributions	400,000	-	-	-
Interest Income /- contribution from LA'S	870,633	-	1,534,610	1,534,610
Total Income	1,523,611	723,000	2,295,468	1,572,468
Provision of Service - Surplus / (Deficit)	(66,814)	(359,404)	(100,197)	259,207

Movement to Reserves		2022/23 £	2023/24 £
Description			
Balance Brought Forward from previous year		220,361	153,547
Net Provision of Service - Surplus / (Deficit)		(66,814)	(100,197)
Balance Carry Forward		153,547	53,350

Agenda Item 7



Swansea Bay City Region Joint Committee - 12 October 2023

Swansea Bay City Deal Highlight Report

Purpose:	To update Joint Committee on the programmes / projects progress that form part of the Swansea Bay City Deal Portfolio as outlined in Annex A
Policy Framework:	Swansea Bay City Region Joint Committee Agreement
Report Author:	Amanda Halfhide, Senior Portfolio Support Officer
Finance Officer:	Chris Moore, Section 151 Officer, SBCR
Legal Officer:	Debbie Smith, Deputy Monitoring Officer, SBCR
For Information	

1. Introduction

The SBCD Highlight Report attached at Appendix A details the monthly progress made and activities planned for the SBCD Portfolio's constituent programmes and projects.

2. Financial Implications

Financial implications are outlined within the Business Cases of each programme / project. Financial risks are recorded and managed through the portfolio risk register. Portfolio Financial reporting is presented as a separate report.

3. Legal implications

There are no legal implications.

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

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:

A: Swansea Bay City Deal Highlight Report



Bargen Ddinesig
BAE ABERTAWE
SWANSEA BAY
City Deal

SBCD Highlight Report
September 2023



Business Engagement



Peter Austin
Business Engagement
Manager

SBCD Portfolio Office



Activities Completed

Activities

- Supported SILCG at opening of Bay Tec Centre
- Organised and held Meet the City Deal event in Pembs
- Supporting Pentre Awel with attendance at Community Benefits steering group
- Coordinated ESB meeting with SILCG for AMPF business case.
- Portfolio Gateway Review Interview

Attendances:

- RLSP summer conference Swansea
- Floventis Meet the Buyer – online
- CEIC summer conference – Cardiff
- Welsh Business Show, Carmarthenshire

Meetings

- 4theRegion, planning Green Conference
- Regular planning meetings for Pembs event
- Cwmpass, planning future event.
- Gareth Brown CCR, follow up from CEIC event
- Noel Powell, SSE contact from UKREiiF introduced to Pentre Awel
- Lewis D'Ambra, Spaceforge, introduction to regional contacts
- Careers Wales re ongoing support

Activities Planned/Ongoing

Current

- Developing SBCD Newsletter with PoMO
- Ongoing development of SBCD website
- Coordinating guest speaker for next Construction sub-group meeting
- Business Engagement support for programmes and projects,
- Planning regional showcase events
- Updating Portfolio events plan
- Arranging attendance at key events

Ongoing

- Coordinating ESB meetings with Chris Foxall
- Monitoring Portfolio procurement pipeline
- Responding to enquiries received via the City Deal email inbox
- Managing SBCD LinkedIn account
- Attendance at CEIC steering group meetings

Risks

- Projects adopting silo approach to business engagement
- Potential cost increases during construction phases of projects
- Poor take up of offer of support from ESB to assist projects with supply chain creation, private sector investment or building sectoral eco systems could cause opportunities to be missed.

Issues

None



Communications and Marketing



Heidi Harries
Communications
and Marketing Officer

SBCD Portfolio Office

Activities Completed

- Planned, ran and held 'Meet the City Deal Event' in Pembrokeshire, which had positive feedback.
- Sign-off of the Annual Report by Programme Board and Joint Committee and issued to all stakeholders.
- PR highlighting progress over the last 12 months.
- Brainstorm with Careers Wales Swansea on future working ideas.
- Created Case Study handouts/pdfs
- Budget planning/forecasting.
- Social Media training sessions on new platform.
- Updated the website and created social posts on: Annual Report, Pentre Awel construction progress, Redevelopment at Pembroke Port, 71/72 Kingsway progress, Contractors appointed to SWITCH.

Swansea Bay City Deal Bargen Ddinesig
Bae Abertawe
24 Aug '23

Exciting news from our Pembroke Dock Marine Project in September. Part of Milford Haven and Tŷn Theatre will be showing Stars Wars: The E... See more



Activities Planned/Ongoing

- Update and print brochure.
- Finalise and print new leaflet.
- Design and order stationary.
- 5 Year Anniversary of Yr Egin Event planning .
- Represent the City Deal in external events including 4thRegion Green Economy, Welsh Construction and Welsh Business Show and Careers Events.
- Plan and organise Meet the City Deal Event in NPT.
- PR on Apprentices.
- Plan/design web developments.
- Forward plan of UK Gov and Welsh Gov events.



Risks

Increases in constructions costs may have implications to overall project budgets/timelines/quality which may create variance from the figures that the press have already publicised.

Slippage in delivery may create negative press.

Issues

None



Pentre Awel

Project Partner Lead: Carmarthenshire County Council



Dr Sharon Burford
Project Manager

Activities Completed

Zone 1 Construction

- Media event held onsite 3rd August 2023 to mark the start of the structural steel frame installation and showcase local procurement via Shufflebottom (Cross Hands) and Dyfed Steels (Dafen)
- Six work packages advertised on Sell2Wales in July-August 2023
- BYUK has sponsored 10 mechanical and electrical apprentices with Cyfle
- Over 450 person weeks of TR&T achieved to date
- TR&T – 4 monthly 'Employment Hubs' held to identify potential candidates. 4 BYUK vacancies filled to date including recruitment of long-term unemployed.
- 400+ pupil interactions delivered during the construction phase
- BYUK accommodated a number of work experience placements over the summer months
- Issue #4 of BYUK Community Newsletter distributed August 2023
- Finalised and agreed use of CLES (Centre for Local Economic Strategy) model to track the local economic impact of the Z1 construction spend
- Project Bank Account (PBA) operational

Zone 1 Services / Workstreams

- Refreshed [Pentre Awel website](#) now in place with dedicated sections on current and future phases, business engagement, schools and community activities, Welsh language and sustainability
- CCC has worked with local media firm Sgript to develop a Welsh language [promotional video](#) for Pentre Awel targeting the supply chain working on the project (i.e. benefits of using Welsh)
- Two SPF bids affiliated with Pentre Awel have been approved: (1) Accelerate Pentre Awel, led by Swansea University; (2) Business & Innovation, delivered in partnership with Cardiff University

Activities Ongoing/Planned

Zone 1 Construction

- Structural steel frame
- Continued excavation of pool (Building A), surfacing of car park and development of southern footpath
- Evaluation panel for Real World Learning project with 5 Llanelli schools scheduled October 2023
- Schools engagement
- Student Ambassador Programme

Zone 1 Services / Workstreams

- Development of an innovation/business network with North Wales
- October – final appraisal and scoring of a long list of options for outdoor activities / projects at Pentre Awel
- Integrated Regional Care Fund (IRCF) capital bid in preparation with Hywel Dda University Health Board for specific elements to enable enhanced scope. EG. an audiology booth and enhanced hydrotherapy scope to widen patient access.
- Gateway Review to be scheduled for October / November.
- Revisit private capital opportunities.

Other Zones

- Complete RIBA Stage 2 design of Zone 3 assisted living accommodation
- Scoping and modelling of Zone 2 (nursing home, residential rehabilitation, extra care facility).

Risks

- Zone 1 not delivered to programme and budget. **Mitigation** - Bouygues UK appointed; Construction Board established; stakeholders engaged to review designs; technical working groups underway; Gleeds and Arup providing design adjudication, cost consultancy, NEC3 PM and supervisor roles Construction contract signed and 89 week programme commenced.
- Failure to maximise whole system benefits. **Mitigation** – workstream groups (incl. education, health, research and leisure; Community Benefits Group formed to monitor and facilitate Bouygues Community Benefits Programme



Digital Infrastructure

VACANT
Programme Manager

Rebecca Llewellyn / Dija
Oliver
Project Managers

Programme Partner Lead: Carmarthenshire County Council

Activities Completed

- Finalised PSBA order to 69 public sector assets. Order to be signed September 2023.
- Completed recruitment of business engagement and communications officer.
- Finalised approach and established mechanisms for delivery of regional 5G investment fund as subsidy scheme (supported by Geldards LLP).
- Initiated market engagement for Dark Fibre project and number of sites to be included. Tender launch due for October 2023.
- Finalised signatory of collaboration agreements between LA partners.
- Established plans and timescales for significant Shared Rural Network (SRN) investment across the region working with UK and Welsh Government.
- Developing detailed project plan for 5G opportunities across the region.
- Appointed Communications and Engagement Officer

Activities Planned

- Undertake Gateway Review.
- Launch ITT for Dark Fibre project.
- Launch 5G Investment Fund.
- Recruit Engagement and Support Officer for Carmarthenshire.
- Confirm plans for UK Government Project Gigabit investment in the region and identify preferred way forward to meet remaining needs across the region.
- Attend Connected Britain

Risks

Shared Rural Network

IF the SRN programme fails to meet its June 2024 deadline for PNS sites **THEN** there is a risk that the investment and coverage improvements are lost.

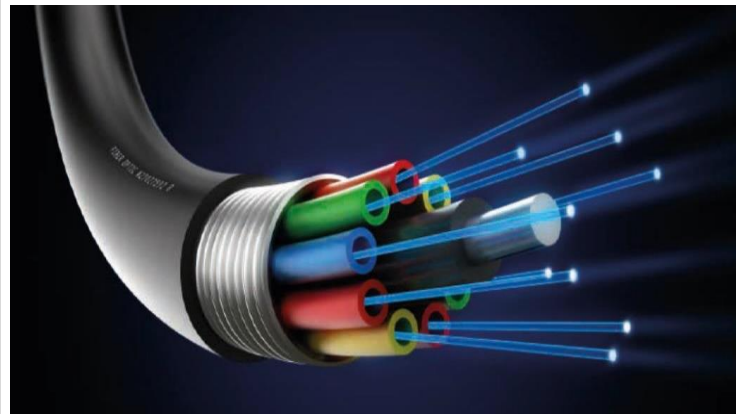
Capacity in Telecoms Industry – Rural Workstream

IF there is insufficient capacity and/or a lack of appetite within the Telecoms industry, **THEN** there is a risk that we will not deliver the aims, objectives and outcomes of the workstream

Issues

Delivery

The programme manager has since moved to work as Chief Digital Officer (CDO) for Carmarthenshire CC on an interim basis, which has resulted in the programme manager role to become vacant.



Homes as Power Stations

Project Partner Lead: Neath Port Talbot Council



Oonagh Gavigan
Project Manager

15.9.23

Activities Completed

Project Board

- HAPS Project Board meeting scheduled 31st October '23.

Supply Chain Development

- Alec Thomas has commenced the role of Supply Chain Lead for HAPS.
- Supply chain engagement has commenced identifying detail on supply / demand across the region.
- Identifying and supporting the marketing of local supply chains to complement / benefit HAPS.

Financial Incentives Fund (FIF)

- FIF has opened it's first call for applications, with a closing date of 21st September '23.
- Development of Subsidy Statement to support funding requirements.

Additional Activity

- Supporting SoModular event to showcase off site Modern Methods of Construction (MMC) using Welsh timber and other locally sourced materials 27th Sept '23.

Events Attended

- WG Subsidy Control training
- RLSP Skills Event
- Innovative Housing – Community of Practice
- WG – Housing (Domestic Energy) Task & Finish Group
- EDF Renewables UK – Supply Chain Event
- Pembrokeshire SBCD Showcase Event
- Housing Industry Leaders Event
- LAEP – Domestic Retrofit and Decarbonising Heat in South West Wales
- Presentation to Council Leader on HAPS

Activities Planned

- Seek and co-ordinate marketing opportunities across the region to meet project objectives.
- Collate and Score Financial Incentives Fund Applications.
- Continue to work closely with Skills and Talent programme to address skills gaps.
- Commence outline scoping of Supply Chain Development Fund.
- Continue regular engagement with stakeholders in all sectors.

Risks

Inter Authority Agreement not yet finalised (Legal)

Cost increases and supply issues in relation to technologies.

TAN 15 – Updated TAN may have potential implications for the location of some assets and wider implications not yet known

Ensure alignment to other energy efficiency in housing programmes. This is in progress with on-going engagement.

Issues

None identified



Trawsnewid Cartrefi Cymraeg
Transforming Welsh Homes

Yr Egin



Project Partner Lead: UWTSD



Activities Completed

Following the completion of the creative sector analysis for Phase 2 UWTSD has been developing an appropriate delivery strategy based around the sector analysis, the SBCD aims and objectives and the strategic aspirations of the University.

University engaged with SBCD to agree IAAP process & timeline for developing Egin Phase 2 model. Senior University staff meeting completed to develop themes for delivery around '4 Pillars Approach'.

Following senior leadership team discussions, the University has now selected to pursue a Digital Production Facility approach to Egin Phase 2, bringing key space and equipment for use by the wider industry. This aims to boost creative and digital activity in the region.

Agreement of new change control and IAAP process with SBCD, in line with current development Programme for Egin Phase 2.



Activities Planned

Refinement of SoA for Egin Phase 2 project and continued professional development of project. Egin Phase 2 now intended to inhabit existing University building to reduce capital costs to level of demand available in the region.

University continues to work with Skills and Talent Programme in relation to Egin Phase 2

University continues to work with expert consultants on development of Digital Production Facility scheme, housed within existing University space. Development is advancing well, with early anticipated costs now available. Demand/use information now being developed for business case purposes.

Early engagement with potential first tenant for Digital Production Facility has commenced. Refinement of Change Control document and redrafting of business case now being undertaken.



Risks

Failure to agree project outputs and specification, leads to no Egin Phase 2 solution presented

Failure of Egin 2 project to satisfy industry needs through poor specification/planning

Issues

Significant impact on demand for additional lettable space has made original Egin Phase 2 delivery model redundant.

Lack of unified view of specific needs of creative industry in the region from industry



Swansea City & Waterfront Digital District

Project Partner Lead: City & County of Swansea



Huw Mowbray
Project Manager

Activities Completed

71/72 Kingsway: Construction continuing onsite and has reached the fourth floor. HoT's progressing with Anchor tenant and discussions ongoing with other interested parties.

Formal Marketing to commence end of Sept.
Procurement launched in August for a building managing agent.

Innovation Matrix . IM Project is on site and progressing according to programme
Tenant HoTs at 75% of available net lettable space
IM Gateway Review Process has started and inception meeting has occurred.

Innovation Precinct: Options appraisal workshop has been completed to support the CRN and will be appended in the re-submission

Negotiations with the Local Authority development partner are ongoing regarding the potential for the property delivery model

IP Gateway Review started with inception meeting



Arena - from the East

Activities Planned

Arena

Hotel – Progress delivery with developer.

71/72 Kingsway.

Launch marketing campaign

Topping out ceremony early October..

Review tender bids for Managing Agent.

Innovation Matrix

Finalise tenant legal packages and design and fitout packages (both tenant and landlord)

IM Gateway Review ongoing and will complete this quarter.

Innovation Precinct

Gateway Review ongoing and will complete this quarter.

IP Change Control Notification to be updated and formally submitted



Galaxy S20+ 5G

Risks

- Effect of Covid-19 and Material shortage on construction, including programme slowdown and impact on costs
- Inflationary pressures cited by BYUK arising from cost pressures experienced by themselves & sub-contractors on supply/availability/cost of fuel/materials attributed to Brexit, Covid, Ukraine situation:
- Effect of Covid-19 upon level and type of commercial demand for 71/72 Kingsway, Innovation Matrix and Innovation Precinct, also concerns about tenant fit-out contributions.
- Hotel: difficulties in funding are impacting delivery timescales.

Issues

Impacts of Covid and effects on redevelopment including timescales, costs and occupier demand.





Project Partner Lead: Pembroke Dock Marine Board



Activities Completed

PDI:

- Handover of Annex 4 to tenant complete. Final snagging reviews completed in all Annexes by Client & Architect. External tarmac works underway and boundary fence line.
- 100% of concrete slabs to form new slipway base complete
- Timberpond 100% infill complete.
- Demolition T head structure 100% complete
- 5 x workboat pontoons berthed into final positions.
- Area D concrete slabs 100% complete

PDZ:

- Submitted collaborative bid with ERM Dolphyn into OFGEM's Strategic Innovation Fund.
- Fed into Marine Energy Council's consultation for Crown Estate on how to unlock Wave and National Grid ESO's consultation on their thinking around grid connection points
- FLOW Test and Demonstration Co-ordination Study Outputs being shared with Crown Estate, Welsh Government and T&D Developers.
- CEO Attended APPG Celtic Sea 13.09.23.

META:

- 5 initial calls with potential clients for META sites.
- Conducted Tidal lagoon challenge networking session
- Final preparations for first deployment at East Pickard Bay site.
- SBCD Showcase Event, Pembroke Dock

MEECE:

- Attended "Meet the City Deal" event in the BIC
- Successfully installed artificial reef components and video monitoring equipment in META for EXO Engineering project, two-day deployment by Williams Shipping.
- Received confirmation from UKRI that ORE Catapult is now eligible for Research Council funding, this application was driven by Marie Kelly in the MEECE team, but is a benefit across ORE Catapult, and significantly increases our funding opportunities.
- Successful stage 1 bid into Wave Energy Scotland funding call.
- Engagement with Aber and Bangor universities, around two multi £M project bids
- Visited Port Talbot to discuss ABP floating wind deployment plans, and how we can support

Activities Planned

ALL:

- SBCD Business Case Addendum
- Gateway Assurance Review 25-27 September

PDI:

- Handover remaining 3 annexes & contractor to leave site.
- Handover full slipway to Operations
- Complete M&E final connections to all pontoons and test
- Handover workboat pontoons to Operations
- Complete final levelling of timber pond
- Continue area C1 and D Phase 2 works

PDZ:

- Planning the public release of the technical studies that identify a £90m consumer saving from coordinating the four 100MW FLOW Test and Demonstration Zone projects
- Further engagement on T&D (and PDZ) Grid Coordination as relevance increases in the wake of the AR 5 announcement.
- Business planning with TCE for PDZ Lease Revision
- Attending Floating Offshore Wind (Aberdeen), Planning for Infrastructure in Wales and Future Energy Wales conference.

META:

- Forthcoming Events -
 - IWaTERS workshop, Orkney
 - Ocean Energy Europe, The Hague
 - Further SBCD Showcase event.

MEECE:

- Preparing stage two bid into WES funding call.
- Investigating new UKRI funding call for Green Energy Centres
- Working with MPS on an EDGE Innovation voucher application.
- About to submit Eol into WG Tidal Lagoon Challenge
- Engaging with company that has a new turbine design optimised for tidal range. Looking at developing test facilities to test a prototype.
- Installation of artificial reef components in META

Risks

PDI: Continued excavations through areas C1/D Phase 2 present challenges with unknown services uncovered as we progress.

PDZ: Crown Estate Lease currently only covers test and demonstration of Wave Energy devices only (with the right to build substation/s). CSP engaging Crown Estate to broaden the scope into FLOW & Power to X applications. TCE listening but risk Crown Estate could resist any changes.

MEECE: Unsuccessful CfD round for offshore wind could cause project developers to exit Celtic Sea.

Issues

- Noting the opportunity for PDM as a result of the positive tidal energy performance, Implications of the Offshore Wind CFD announcement and adequacy of the CFD structure will be scrutinised over the coming months.
- CSP's evidence shows independently connected FLOW projects likely to result in increased cost for T&D phase and knock on costs for commercial projects.

SBCD Campuses

Project Partner Lead: Swansea University



Clare Henson
Project Manager



Activities Completed

Secondary funding agreement

- Secondary funding agreement between Swansea University and SBUHB drafted and issued.

WS2: **Sketty Lane.**

- The scheme has completed RIBA Stage 2 and is progressing with RIBA stage 3.
- Heritage assessment completed and report issued
- Cadw assessment in progress

Engagement highlights

- Continued engagements with Vodaphone senior leadership teams, WRU, FAW, Sport UK.. All at varying stages of development.

WS8: **Health and well being**

- HNA draft report completed and in review

WS9: **Morrison access route**

- Ecology surveys on going

Swansea Bay Sports Park (phase 2)

- Completion of Hockey stand infrastructure
- Completion of modular changing facilities
- 3 pitch on sketty lane in progress

Funding applications

- Submission of two Funding applications
 - 5G innovation testbed to SBCD digital infrastructure project
 - Agor skills, sport health and well being application to SBCD skills and talent project

Activities Planned

- Follow up meetings with all workstreams and leads
- Continue work in relation to Secondary Funding agreement to achieve sign off.

WS2: **Sketty Lane:**

- Stakeholder option presentation;
- Progress with RIBA Stage 3 design
- BREEAM review and report
- Formal Risk Workshop to be undertaken
- Receive Cadw report

Engagements:

- Continued engagements Vodaphone, WRU. FAW, Sport UK
- Continued Stakeholder engagement activity with potential incubator businesses

WS8: **Health and well being**

- Sign off HNA and issue to campuses project board

Swansea Bay Sports Park (phase 2)

- Progress with 3G pitch and floodlighting scheme.

Risks

- Building affordability. RIBA stage 3 exploring costs.
- Lack of signed funding agreement – Secondary funding agreement issued to SBUHB. Swansea University awaiting comments from SBUHB. Primary and secondary funding agreements to be signed in parallel.
- Cadw Listing - Heritage assessment report received; positive review not recommended for listing. Waiting cadw report. Received verbal communication of no listing, though waiting formal report October.
- Morrison Access route – WG funding. Funding from WG required for hybrid planning application for access route.



Skills and Talent

Project Partner Lead: Carmarthenshire County Council



Samantha Cutlan
Programme Manager



Activities Completed

- 14 pilot projects approved providing training and awareness raising of key skills for the region with the second quarterly claims process completed.
- Apprenticeship Frameworks from Level 2-6 developed in UX and delivery starting in September 2023.
- Skills Barometer updated.
- Pentre Awel EST skills gap analysis and workforce planning complete.
- Attended SBCD Joint Committee to provide a progress update on the programme and share findings from the recent Gateway Review
- Review of Pilot Project Reach



Activities Planned

- Continued engagement with stakeholders and City Deal Skills Group to develop pilot projects to meet Skills Gaps within region.
- Teacher Encounters test pilot being developed.
- Engagement and awareness events being organised in each of the local authority areas targeting pupils.
- Youth Forum being established to understand the needs of young people in relation to Careers Advice and work experience..
- Work Experience Project small test pilot being developed.
- Further engagement with Industry on the skills gaps identified by the Barometer and develop pilot projects to upskill industry into the new sector skills.
- Working with BT on the development of Immersive Classroom spaces.



Risks

With the other City Deal projects being at different stages of delivery, a lack of knowledge of their specific skills needs/gaps, could delay pilot project development in those key areas. Continued engagement with the 8 City Deal projects during the Skills Barometer review will help to address this. We have also set up a Skills Subgroup made up of the City Deal Project Managers to drive the skills conversation forward.

Issues

Impact of different funding streams being introduced on the training landscape is impacting and crossing over our area of work. Maintaining an understanding of these funds and activities will prevent any possible duplication.



Supporting Innovation & Low Carbon Growth

Project Partner Lead: Neath Port Talbot Council

September 2023



Dr Brett Suddell
Programme Manager

Activities Completed

Bay Technology Centre

- Further potential tenants being processed in the pipeline including a potential strategic partner for future activities to be announced in due course.
- Meeting & visit to BTC held with WG Finance Minister Rebecca Evans who toured the facility and met some of the tenants and received a presentation on the facility and other wider economic activities being undertaken by NPTCBC.

South Wales Industrial Transition from Carbon Hub (SWITCH)

- PR announcing successful contractor developed
- Meeting with Tata representatives to discuss possible net zero technologies to include in building.
- Data logging undertaking on equipment located at SAMI to gauge energy usage to assist in building calculations for SWITCH harbourside.
- SU providing responses to specific technical questions being raised to aid in design, next meeting to be held on 14th September at Morgan Sindall offices in Cardiff.
- HOT's document progressed by NPT addressing SU concerns, responses received back to be addressed internally.

Property Development Fund (PDF)

- Stage 2 application process ongoing. One of the 5 applications has been withdrawn.

- The reserve list was reviewed and 2 applicants from this list were invited to submit a Stage 2 application, and both have confirmed they will be doing so.

Air Quality Monitoring Project

- Advertised and recruitment process completed for replacement data analyst following Max Bonar-Law's departure at end of April.
- Michael Roosmalen will start work as the Air Quality Officer for this project on the 14th August and his priority will be to deal with the loss of data and missing Air Quality sensors
- Ricardo, Air Quality Consultants are reviewing the existing data to see if we have enough 'in the field' data for the purposes of analysing and drawing conclusions about the accuracy and reliability of the sensors. When we have this report back, we can make progress with the public communication strategy.

Low Emission Vehicle Charging Infrastructure

- Ongoing work around regional approach, assess common challenges and look for regional solutions

Enhanced Advanced Manufacturing Production Facility (EAMPF)

- National Net Zero Skills Centre of Excellence OBC being developed. Initial review by SBCD, feedback being addressed.
- Meetings held with stakeholders to discuss future planning event on EAMPF post OBC approval
- Meeting held with WG over land acquisition

Hydrogen Stimulus Project

- Significant progress with the development, installation and commissioning of the new 100kW Hydrogen Electrolyser work is being conducted with Protium Green Solutions and FCS/Hydrasun.

Hydrogen Stimulus Project (Cont.)

- Signed funding agreement is due to be returned imminently.
- In relation to the instigation of hydrogen projects - three hydrogen projects have been developed and have been successful in receiving funding.

Additional Activities:

- Discussions held around a second regional event to be held in NPT later this year
- Initial discussions with 4 the region around the Green Energy conference taking place in November
- A number of exciting funding opportunities outside of SBCD approved but embargoed at the moment, will announce further details when permitted
- Engaged Urban Foundry to undertake branding and marketing workshops for SILCG

Events / networking

- Attended the Pembrokeshire event in July lots of interest in the SILCG programme
- Meeting held with ESB at BTC to introduce the SILCG Programme and discuss the NNZSCoE OBC
- Presentation given at the APSE conference on 5th September on BTC

Agenda Item 8



Swansea Bay City Region Joint Committee - 12 October 2023

Construction Impact Assessment

Purpose:	To inform Joint Committee of the Construction Impact Assessment Summary as at Appendix A
Policy Framework:	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
Report Author:	Amanda Halfhide, Senior Portfolio Support Officer
Finance Officer:	Chris Moore, Section 151 Officer, SBCD
Legal Officer:	Debbie Smith, Deputy Monitoring Officer, SBCD
For Information	

1. Introduction

- 1.1 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.
- 1.2 As of 15th September following multiple discussions and requests for completion of the SBCD construction impact assessment, there were no changes made since last reported in July 2023 apart from Pentre Awel closing a Risk around delays in obtaining Reserve Matters approval.

1.3 Table 1 shows a summary of risks identified in Programme / Project returns:

Table 1

Risks	Impact Field	Scope	Targets	Time	Reputation	Stakeholder/ Partnerships	Proj. Costs	Procurement	Resources
Red		1	0	7	0	0	4	0	0
Amber		11	20	18	20	12	23	18	5
Green		34	26	21	26	34	19	28	41

2. Financial Implications

There are no financial implications associated with this report.

3. Legal Implications

There are no legal implications associated with this report.

Background Papers: None

Appendices:

A: SBCD Construction Impact Assessment Summary

Swansea Bay City Deal

Construction impact assessment summary report



Date	October 2023
Version	V11.0

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 16th September 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 - No Change
Swansea Campuses	Complete - No change
SILCG	Complete - No Change
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 - 1 Risk removed around delays in obtaining Reserve Matters approval.
PDM	Complete and updated. No change in status
Digital infrastructure	Nil return - on-going BC updates will complete within next few months once BC updates complete.
HaPs	Complete - No change

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
--------------------------	---------	------------	--	---------------------------------------	---------------	-------------	------------------

Once completed the author must then identify mitigations that are/will be put in place along with any resource requirements in enacting these mitigations.

No change other than reduction of one Risk as noted in the above table 2.0

4.0 Summary of Risks identified in returns

Risks	Impact Field	Scope	Targets	Time	Reputation	Stakeholder/ Partnerships	Proj. Costs	Procurement	Resources
Red		1	0	7	0	0	4	0	0
Amber		11	20	18	20	12	23	18	5
Green		34	26	21	26	34	19	28	41

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 (V11) was presented to programme board in September 2023, outlining a potential £36m funding gap across the SBCD portfolio.

7.0 Assumptions made in forecasting the impact on the Portfolio.

- 7.1 Current estimates (September 23) 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 £36m 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 (September/October 23) 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 (September / October 23) 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	17,228,240	- 4,438,240	Estimated
ILS Innovation Centre - Morryston	2,210,000	2,497,300	- 287,300	Estimated
	15,000,000	19,725,540	- 4,725,540	
<u>PDM</u>				
Pembroke Dock Infrastructure	41,593,611	48,105,228	- 6,511,617	Estimated
	41,593,611	48,105,228	- 6,511,617	
<u>Digital Infrastructure</u>				
	20,500,000	22,097,114	- 1,597,114	Estimated
Net Total	252,620,169	288,872,812	- 36,252,643	
<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	426,616,203	- 29,301,939	

Programme / Project	Shortfall	Mitigating Actions	Action status	Likely Impact of Mitigation
Campuses	£4,438,240	<ul style="list-style-type: none"> Swansea University Senior Leadership Team have approved within business plan shortfall of up to 4.4M. RIBA stage 3. Exploration of further design, materials and any value engineering. Value engineering will not impact on benefits realization. 	Potential Potential	Some value engineering may impact on long term maintenance of building
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	£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>AMPF costs are yet to be confirmed, acknowledging fluctuating cost in materials and inflationary pressures.</p> <p>The aim is to incorporate the £5.3m NNZSCoE project into SILCG AMPF project, subject to Joint Committee and Governments approval in 2023.</p> <p>NPTC funded the BTC shortfall of £383k.</p> <p>Less funds available for specialist equipment (SWITCH) if specialist budget needs to be used for increased construction costs</p>
<p>Digital Infrastructure</p> <p>Page 34</p>	£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	£6,511,617	<ul style="list-style-type: none"> • Competitive tenders and further review of Best and Final with additional scrutiny. • Value Engineering has resulted in a reduction of costs circa £10m which brings costs down from circa £55m to £45m • Innovative trading and phasing within overall programme to deliver the individual phased outputs and outcomes. • Additional WEFO funding secured. 	<p>Actual</p> <p>Actual</p> <p>Actual</p> <p>Actual</p>	<p>MHPA's 4 mitigations will deliver the outputs as defined within the OBC and associated outcomes.</p> <p>New estimate is £48,105,228 The additional WEFO funding is £5,971,476 which leaves a shortfall of £504,141. We are reviewing future phases over 2023/24 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 £36m.

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 9



Swansea Bay City Region Joint Committee - 12 October 2023

Portfolio Gateway Review Recommendations and Action Plan

Purpose:	To inform Joint Committee on the outcome of the Portfolio Gateway Review and to agree the Action Plan in response to the review recommendations
Policy Framework:	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
Consultation:	Joint Committee Programme Board
Recommendation(s):	Joint Committee notes the outcome of the Portfolio Gateway Review approves the Action Plan attached at Appendix B and the response to the review recommendations (Appendix A)
Report Author:	Ian Williams SBCD Portfolio Development Manager
Financial Officer:	Chris Moore (SEC151 Officer)
Legal Officer:	Debbie Smith (Deputy Monitoring Officer)

1. Introduction

The SBCD Portfolio Gateway Review Action Plan available in Appendix B has been developed in response to the recommendations made in the Gateway 0 review undertaken in July 2023.

2. Background

As part of the assurance arrangements for the SBCD Portfolio, an independent Gateway 0 Review was undertaken in July 2023.

The Review was undertaken by an independent, external team in accordance with the Welsh Government Integrated Assurance Hub Guidelines. Sixteen 'conversations' were held with stakeholders between 17th-19th July together with a workshop session with the local authority Leaders.

The SBCD Portfolio received an Amber-Green Delivery Confidence Assessment (DCA) rating. The summary finding of the Review were:

1. The SBCD Portfolio continues to make progress under the leadership of a strong SRO and Portfolio Director
2. The Portfolio continues to exercise good disciplines and work well with the individual SROs across the multiple partners in a quest to capitalise on the opportunities SBCD presents to the region.
3. There is a need to keep all parts of the Portfolio strategically relevant in enabling, contributing to, or delivering directly the Outcomes and Benefits intended.
4. The Portfolio is in good shape and indications are that successful delivery appears probable. Constant attention should be maintained, however, to ensure that risks do not materialise into issues threatening delivery (of the Projects and Programmes) or the achievement of the strategic intent (of the Portfolio).

The Review Team made four recommendations to the Portfolio SRO to ensure that the portfolio is positioned for effective management and delivery. The recommendations cover communications regarding strategic intent, benefits management, governance (in terms of the alignment with the CJC) and maximising value from dependencies and opportunities, particularly in relation to the private sector.

The full Review report is attached as Appendix A. It is anticipated that the next Gateway 0 Review for the Portfolio will be held in July 2024.

3. Gateway Review Action Plan

The Portfolio Gateway Review Action Plan attached at Appendix B provides detail on the specific actions required to fulfil the four recommendations of the review together with the timing, ownership, status and dependencies for each action.

To facilitate the completion of the Action Plan recommendations, the PoMO is engaging with partners across the Portfolio through its governance meetings and targeted engagement. Progress on implementing the Action Plan will be reported to future Programme (Portfolio) Board meetings. The completed Action Plan will also be forwarded to UK and Welsh Governments with the updated Portfolio Business Case in March 2024 in readiness for the next drawdown of City Deal funding.

4. Financial Implications

There are no financial implications associated with this report. Recommendations from the previous Gateway Review have been implemented.

5. Legal Implications

There are no legal implications associated with this report.

Background Papers: None

Appendices:

A: Gateway 0 Review Report July 2023

B: Gateway 0 Action Plan



OGC Gateway™ Review 0: Strategic assessment

Portfolio Title:	Swansea Bay City Deal
IAH ID number:	AH/23/026

Version number:	V1.0 FINAL
Senior Responsible Owner (SRO):	Wendy Walters
Date of issue to SRO:	21/07/2023
Department/Organisation of the Programme	Swansea Bay City Region
Review dates:	17/07/2023 to 19/07/2023
Review Team Leader:	David Wilkin
Review Team Members:	Mark Martin Fiona Brennan
Previous Review:	Gateway 0 20/07/2022 to 22/07/2022 Delivery Confidence Assessment – Amber/Green
Security Classification:	Official

This assurance review was arranged and managed by:

Welsh Government Integrated Assurance Hub (IAH)

Cathays Park 2

Cathays

Cardiff

CF10 3NQ

1.0 Delivery Confidence Assessment (DCA)

Delivery Confidence Assessment:	Amber/Green
<p>The Review Team finds that the Swansea Bay City Deal Portfolio is making good progress under the leadership of a strong SRO and Portfolio Director. The Portfolio Management Office (PoMO) is well established, and it maintains the focus on the strategic intent.</p> <p>Some Programmes and Projects are well underway, and others are delayed. This is not unusual and ought to be expected in the challenging fiscal environment. Nonetheless, the Portfolio continues to exercise good disciplines and work well with the individual SROs across the multiple partners in a quest to capitalise on the opportunities SBCE presents to the region.</p> <p>The Portfolio is a long-term investment, with funding over several years, and there will be a lag before benefits are realised. That said, there is a need to keep all parts of the Portfolio strategically relevant in enabling, contributing to, or delivering directly the Outcomes and Benefits intended.</p> <p>The Review Team observes opportunities to strengthen further, in relation to:</p> <ul style="list-style-type: none">• Benefits Management;• Communications regarding Strategic Intent;• Governance refresh; and• Dependencies and Opportunities: particularly Private Sector investment. <p>In summary, the Portfolio is in good shape and indications are that successful delivery appears probable. Constant attention should be maintained, however, to ensure that risks to not materialise into issues threatening delivery (of the Projects and Programmes) or the achievement of the strategic intent (of the Portfolio).</p> <p>It should be noted that the Delivery Confidence Assessment does not imply that all programmes and projects within the portfolio discretely carry the same rating: they are subject to their own, more detailed Assurance via individual Gateway Reviews.</p>	

The Delivery Confidence assessment RAG status should use the definitions below:

RAG	Criteria Description
Green	Successful delivery of the programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.
Amber/Green	Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
Amber	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.
Amber/Red	Successful delivery of the programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.
Red	Successful delivery of the programme appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The programme may need re-baselining and/or overall viability re-assessed.

2.0 Summary of Report Recommendations

Ref. No.	Recommendation	Urgency (C/E/R)	Target date for completion	Classification
1.	Reinforce communication of the strategic, regionalised approach, both internally and externally, in order to embed further the understanding of the sum of the parts rather than simply individual project benefits.	R - Recommended	Jul 24	3.5
2.	Further develop the benefits management approach to shift the focus to sustainable social and economic uplift, not just enablers.	R - Recommended	Jul 24	5
3.	Review and refresh the Portfolio Governance structure, considering potential options to integrate within the new Corporate Joint Committee structure, update the terms of reference and membership of the governance bodies should options progress.	E- Essential	Dec 23	1.1
4.	Emphasise the focus on Dependencies and Opportunities, particularly in respect of private sector investment and clarity surrounding the respective responsibilities for harnessing and driving emerging prospects.	R - Recommended	Jul 24	5

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the programme should take action immediately

Essential (Do By) – To increase the likelihood of a successful outcome the programme/ project should take action in the near future.

Recommended – The programme should benefit from the uptake of this recommendation.

3.0 Comments from the SRO

I am again grateful to the Review Team for their professional, constructive and positive manner in undertaking this review. Acknowledging that this is now the third consecutive amber/green Delivery Confidence Assessment rating reflecting the progress, direction of travel and alignment of Portfolio priorities.

I'm pleased that the report provides assurance to me, our regional strategic partners, Welsh Government and UK Government, PoMO and wider stakeholders that the portfolio is in good shape and that the early signs are that successful delivery is probable. This is particularly pleasing in the context of the challenging economic and social climate over recent years and is due largely to the commitment of the City Deal partners in ensuring that the programmes and projects adapt and remain a high priority.

The four recommendations within the report, and the other advisory comments, will again be shared, discussed and implemented with our key stakeholders.

As delivery progresses, and regional working matures further, the importance of the Portfolio and its role will be key. To this end, consideration of the SBCD in relation to the CJC structure will need to be a key consideration. There will also be an increased emphasis on demonstrating the outcomes and impact of the portfolio as the projects and programmes start to move further into the delivery and operational phases.

As this report acknowledges, we will need to remain mindful of the continued challenges and risks ahead to ensure the anticipated benefits are realised. Again, we will work as a team and ensure that delivery momentum is maintained.

I'm grateful for the opportunity that this review has provided to reflect on, and consider, the position of the Portfolio and how best to progress. I will take forward your recommendations and comments to further strengthen the Portfolio, ensuring that it continues to respond, evolve and mature.

4.0 Background

The background and aims of the Portfolio are set out in the Portfolio Business Case (March 2023).

Background

The Swansea Bay City Deal (SBCD) was agreed between the UKG, the WG and the four Swansea Bay City Region (SBCR) local authorities in March 2017. The original heads of terms included funding commitments of £241m from UKG and WG, and £396m from the four regional local authorities (Carmarthenshire, Pembrokeshire, Swansea and Neath Port Talbot) and other public sector bodies, with an anticipated £637m from private sector investment. Combined, this would create over 9,000 jobs.

The Swansea Bay City Region spans across four local authority areas with a combined population of approximately 698,000 people.

The City Region published an economic regeneration strategy in 2013 with a common vision to enhance the long-term prospects of the region's economy, businesses and communities. The strategy will co-ordinate collective action and identify routes and initiatives to respond to the structural challenges that are holding back the SBCR economy.

The creation of the SBCR in July 2013 was based on evidence that shows City Regions of more than 500,000 people are in a better combined position than individual local authority areas to stimulate economic growth through attracting investment and generating high-value job opportunities. The

population has grown by just over 1.1% (7,651) over the last five years and is expected to grow by a further 1.1% (7,850) over the next five years from 2020.

The SBCD is part of the SBCR strategy and portfolio. It's a partnership of eight regional organisations made up of local authorities, universities and health boards that aims to accelerate economic and social advancement through regional infrastructure and investment funds. The SBCD partners are:

- Carmarthenshire County Council
- City and County of Swansea Council
- Neath Port Talbot Council
- Pembrokeshire County Council
- Swansea University
- University of Wales Trinity Saint David
- Hywel Dda University Health Board
- Swansea Bay University Health Board

Strategic Driver

The strategic context for the Swansea Bay City Deal was originally framed within the Swansea Bay City Region Economic Regeneration Strategy 2013 – 2030, an ambitious strategic framework to support South West Wales and its future economic development. The document sets out that framework, which is intended to stimulate and shape the work of all our stakeholders as we come together behind a common vision, to enhance the long-term prospects of our City Region economy, its businesses, and communities. This strategy has now been updated with information from the South West Wales Regional Economic Delivery Plan that sets out the ambitions to develop a resilient, broad based and sustainable economy to 2030. The SBCD Portfolio is fully aligned with the strategic aims and objectives of the Economic Delivery Plan.

The SBCD Portfolio consists of 9 programmes and projects that together will have a significant impact on the regional economy in terms of Gross Value Added (GVA) and jobs created. The Portfolio is to be delivered over a 15 year timescale 2017-2033.

The SBCD has a current portfolio investment of £1.241bn, funded by the UK Government, the Welsh Government, public sector bodies and industry. This investment will improve regional infrastructure in high value sectors, attract inward investment from businesses and create good job opportunities.

The table below shows the intended economic impact of each of the 9 programmes and projects:

Programme / Project	15-year Impact	
	GVA £m	Net Jobs
Economic Acceleration		
Swansea City & Waterfront Digital District	669.8	1,281
Yr Egin	89.5	427
Digital infrastructure	318.8	-
Skills and Talent Initiative	-	-
Life Science & Well-being		
Life Science, Well-being and Sport Campuses	150.0	1,120
Pentre Awel (Life Science & Well-being Village)	467.0	1,853
Energy and Smart Manufacturing		
Homes as Power Stations	251	1,804
Pembroke Dock Marine	343.4	1,881
Supporting Innovation and Low Carbon Growth	93	1,320
SBCD Portfolio total	2,382.5	9,686

Current position regarding previous assurance reviews:

This is the fourth Gateway Review of the Portfolio. The recommendations of the previous review have been actioned.

A summary of recommendations, progress and status from the previous assurance review can be found in **Annex C**.

5.0 Purposes and conduct of the OGC Gateway Review

The primary purposes of a Gateway Review 0: Strategic assessment are to review the outcomes and objectives for the programme (and the way they fit together) and confirm that they make the necessary contribution to Ministers' or the departments' overall strategy.

Annex A gives the full purposes statement for a Gateway Review 0.

Annex B lists the people who were interviewed during the review.

6.0 Acknowledgement

The Review Team would like to thank all participants for their contributions to this review. The assistance provided by Ian Williams was particularly appreciated.

7.0 Scope of the Review

This is a mid-cycle Gateway 0 Review.

Additionally, the Review Team was provided with the following Terms of Reference:

1. Review progress on the previous Gateway recommendations
2. Embedding the arrangements for the delivery and operational phases of the Portfolio including ongoing assurance arrangements, change control process and the development of business cases from Outline Business Case to Full Business Case
3. Arrangements for the accurate forecasting and realisation of investment, with a focus on achieving private sector investment objectives
4. How the programmes and projects are addressing the challenges of funding in the context of increased construction costs, particularly in relation to the commitment of partner organisation and the potential impact on forecasted outputs and outcomes.
5. Are there any key issues or risks causing project delivery uncertainty, significant delays or risk to successful delivery
6. Are the Portfolio governance and reporting arrangements fit for purpose, appropriate and proportionate.
7. Identification of appropriate arrangements for the evaluation of the City Deal, including measures for assessing portfolio, programme and project benefit realisation
8. How can the City Deal connect effectively with wider regional initiatives and help develop a cohesive approach to regional partnership working

8.0 Review Team findings and recommendations

8.1: Policy and business context

As previously noted:

The Swansea Bay City Deal (SBCD) is jointly funded by the UK Government (UKG) and Welsh Government (WG) as a Capital Scheme and is subject to robust governance being enacted for the Region. In this case, the Region is defined as the geographical area covered by four Local Authorities (LAs):

- *City and County of Swansea Council;*
- *Carmarthenshire County Council;*
- *Neath Port Talbot County Borough Council; and*
- *Pembrokeshire County Council.*

The SBCD is firmly anchored in supporting overarching policy intent for both UKG and WG. SBCD supports UKG strategies including the Industrial Strategy and Clean Growth Strategy, as well clear alignment with Wales' Wellbeing of Future Generations Act.

The Portfolio is complex in its content and needs to be delivered against a changing political backdrop in both Governments and is further exacerbated by the advent of Covid-19 and the inevitable economic challenges that will present. SBCD is scoped to be delivered over a 15-year period, during which many events could influence investment priorities: the structure and control of the Portfolio will need to cater for momentum to be maintained through periods of change, yet also provide the ability to absorb change in emphasis according to the prevailing strategic direction.

This remains true.

It should be observed, however, that the context for the Portfolio continues to evolve amongst significant political and economic uncertainty. Additionally, the advent of the Freeport initiative provides further impetus (and potentially more complexity to navigate (in terms of multiple influences for change) albeit, this a project being dealt with by the CJC) behind the momentum already established. Overall, the core Portfolio team is already asking many of the right questions to ensure that scope, flexibility, strategic focus and policy alignment remain appropriate to the changing context (including an increasingly prominent Green agenda).

8.2: Business Case and stakeholders

Business Case Status

The previous Gateway Review recorded that:

The Portfolio Business Case acts as a strategic 'wrapper' for the Programmes and Projects within SBCD. Each Programme/Project (Pg/Pj) Business Case justifies the case for their respective investments and funding requirements. Each Business Case follows the standard 'five case' model.

The Portfolio Business Case has been approved by both UKG and WG. It is important now that the Portfolio Business Case is used routinely by the Programme Board and Joint Committee to maintain alignment with strategic priorities and evolving operational environment changes.

All nine constituent Pg/Pj now have approved business cases and many of the Pg/Pj are into delivery. In the intervening 12 months since the last Gateway Review, the economic context of the Portfolio has worsened significantly, with inflationary pressures threatening the affordability of many aspects of daily life. Those pressures are highly likely to have a direct impact on the Portfolio, potentially both negatively and positively, and this will need to be a constant factor throughout the delivery of the constituent Pg/Pj and the balancing of priorities within the Portfolio.

Good discipline is evidenced in the maintenance of the business cases and there is no suggestion that they are used simply for approval and become 'shelfware'. The PoMO ensures that business cases are being used through-life as a key part of the governance toolkit.

Potential exists, however, for the individual programmes and projects (Pg/Pj) in the Portfolio to be seen merely as 'similar subject buckets' and to be driven as such. Whilst the PoMO maintains a Portfolio-wide perspective, the Review Team detected some evidence of silo-thinking in some interviewees, and this should be guarded against. To be a true portfolio, the whole needs to be greater than the sum of the parts and the critical linkages need to be leveraged to best effect. For example, the Review Team is of the view that the Skills and Talent project is an enabling one that needs to flow through the veins of the Portfolio, rather than being confined to a silo. Constant attention to business case management will be a component of maintaining those linkages.

As the Portfolio (and its constituent Pg/Pj) progresses, the changes to

- the strategic context (e.g., Freeports);
- new opportunities (e.g., Offshore wind); and
- economic landscape (e.g., inflation, interest rates, supply chain)

will all need to be taken into account with every business case refresh, particularly in modelling and undertaking cost/benefit analysis. The Portfolio needs to ensure it delivers on the enduring regional strategic intent of tomorrow, whilst navigating the challenges of today. Indications are that the PoMO has this gripped, but Portfolio Management is a comparatively esoteric discipline, and the wider Pg/Pj players will need to continue to strive for region-wide outcomes.

Funding

As recorded:

The funding mechanism for SBCD is not directly linked to the approval of individual Pg/Pj business cases. The SBCD is a 15-year Portfolio of work and has been running for approx. 5 years with a total funding envelope of £241m from UKG/WG. This funding is to be released in annual tranches, to fund across all projects in the SBCD Region.

The WG element of the funding remains over 15 years, but UKG funding element has been compressed from 15 years to 10 years with the total funding amount remaining unchanged. This has the potential to enable Pg/Pj to progress more rapidly and bring forward benefits realisation; particularly relevant in the increasingly difficult inflationary environment.

At this point in time, portfolio financial management appears to be under good control against a difficult landscape of inflationary pressures, rising interest rates and labour cost/availability challenges. Funding continues to flow from UKG/WG. Owing to some Pg/Pj being up to 18 months behind schedule, this eases the cashflow perspective of the overall Portfolio and provides opportunities to re-profile expenditure to earlier years where appropriate and feasible, and also enables the avoidance of borrowing in some LAs where PG/Pj remain on track.

The Review Team is unclear what impact the Pg/Pj delays have on the value proposition for the overall Portfolio; whether the delays simply mean things will be late (and therefore diminish benefits); whether the timeframe will be fixed and the drawdown curtailed towards the end of the period; and whether the reduced purchasing power of the £GBP undermines the viability of some Pg/Pj.

It would be prudent to undertake an overall review of the entire Portfolio of business cases to make sure that their value proposition, individually and in terms of Portfolio contribution, still stacks up. The Review Team was told that this is in hand and that the regular business case maintenance cycle addresses these concerns. The next Gateway Review should take a more detailed look at that refresh once completed by the PoMO.

Stakeholders

The SBCD stakeholders include (but are not limited to):

- *UKG and WG;*
- *Local Authorities;*
- *Universities;*
- *Private Sector;*
- *Health Boards; and*
- *The Public.*

The Review Team heard much encouraging enthusiasm particularly in relation to the involvement of the Universities and Health Boards in driving and delivering components of the Portfolio. Health and wellbeing, skills and talent, technology and innovation, and green energy are all topics that excite and energise the Portfolio, and about which many interviewees speak passionately.

Involvement of the Private Sector, particularly in terms of Private Sector funding remains a key concern for many interviewees. The Private Sector is well represented via the Economic Strategy Board (ESB) and there appears to be take-up in terms of buildings occupation. However, there remains a need to keep focused on creating enduring, sustainable, economic and social uplift in the region. The SBCD is not about becoming a landlord; nor is it about transitory activities in construction. The SRO and PoMO are clear on this, but there is a need for constant messaging about the strategic intent both within the portfolio and more broadly.

That 'big picture' message appears strong amongst some stakeholders, yet weak amongst others. Some appear only to know about specific aspects of the Portfolio and displayed a tendency to be somewhat detached from the other initiatives within the Portfolio, or simply aware that they connected to it in some way (e.g., Freeports). It would be worth reinforcing the Portfolio view in stakeholder communications to ensure regional strategic coherence and avoid duplication/gaps whilst also strengthening the opportunities and linkages that deliver the 'multiplier effect' of true portfolio management.

Recommendation 1: Reinforce communication of the strategic, regionalised approach, both internally and externally, in order to embed further the understanding of the sum of the parts rather than simply individual project benefits. (Recommended – Ongoing)

8.3: Management of intended outcomes

Outcomes & Benefits

The previous Gateway Review recorded that:

The Portfolio investment Objectives include a number of targeted outcomes as shown below:

- 1. To create over 9,000 skilled jobs aligned to economic acceleration, energy, life sciences and smart manufacturing across the region within 15 years (2017-33)*
- 2. To increase the Swansea Bay City Region GVA by £1.8-2.4 billion through the SBCD by 2033 and contribute to the region achieving 90% of UK productivity levels by 2033*
- 3. To deliver a total investment in the region of £1.15-1.3 billion in the South West Wales Regional economy by 2033*

In addition to the above outcomes, the City Deal will also have wider social and economic benefits at both a programme wide and project specific level. The full detail of all City Deal outcomes and benefits will be set out in a Monitoring and Evaluation Plan that will provide details on the capturing, monitoring and evaluation of key information throughout the City Deal programme.

The Review Team heard much evidence about positive results which have happened because of the SBCD investment. It is clear that the portfolio has delivered much in terms of buildings, jobs and skills development in the region. The view was expressed to us by several interviewees that various initiatives had acted as catalysts for change across the region, and there is clear evidence of tangible results from the investment made.

What was less clear was the extent to which the investment had resulted in long term, sustainable change where the various elements of building, skills development and encouragement of private sector investment came together to deliver something larger than the sum of its parts. There seem to be some “golden threads” in this portfolio – e.g., skills development, green technologies, medtech – which should be the basis for an analysis of outcomes, rather than a concentration on building constructed, courses initiated etc.

Some participants expressed concern that the investment might not lead to benefits for the region; for example, people might develop skills through the many apprenticeships that had been created but need to move outside the region to find better paid employment. This example highlights the need to explore, as part of a wider benefits analysis, how investment in South West Wales has benefitted that region in a long-term way and sustainable way.

Another factor affecting the benefits case is that the programme of work has been taking place during a time when the region, like the rest of Wales and the UK, has been affected by several factors which have changed the economic and social landscape dramatically. Although this has created challenges, there have also been new opportunities, such as the potential for the region to be a leader in green technologies (e.g., offshore wind). It would be unsurprising if the benefits case had not changed during the period that the SBCD has been in operation.

Understanding how the SBCD has led to sustainable benefit for the region is not easy: it will not always be possible to establish clear causality, and it will take some years for the full effects to be apparent. Several participants discussed this problem, and there seemed to be a broad consensus that measures like GVA did not provide an adequate view. The Review Team would accept that this is challenging, but nevertheless consider that the further development of a clear Benefits Realisation Plan which identifies a set of suitable indicators is important for an investment of this scale.

It would also be worth exploring how similar initiatives in Wales and elsewhere have approached this issue.

The Portfolio Office should further develop the benefits management approach to move to a greater focus on outcomes and strategic benefits rather than investments and completion of enabling projects. This should clearly set out how the sustainable social and economic change effected by the SBCD will be measured and understood. The Review team saw a Benefits Management Plan and is encouraged that this ought to form the foundation for evolving the benefits management approach, particularly now that several Pg/Pj are achieving traction and delivering outputs.

Recommendation 2: Further develop the benefits management approach to shift the focus to sustainable social and economic uplift, not just enablers. (Recommended – ongoing)

Governance

The Review Team heard from a number of interviewees that the current Portfolio Governance structure has broadly been fit for purpose. However, some interviewees did express the view that at times the Portfolio Management Office was slowing and curbing momentum. Additionally, the Review Team heard that the PoMO is at times over-burdening the projects with requests for information reporting, particularly with regards to data reporting. This was not the view of the majority. Interviewees stated that increasingly there are more deputies attending the governance forums which may suggest increasing time pressures on core attendees or may potentially reflect a waning of commitment to the Portfolio. Interviewees expressed that the governance structure should be more responsive to emerging changes of emphasis and opportunities that benefit the region as a whole rather than focussing solely on single project deliverables, as the portfolio moves forward. However, in the main, the Review Team is of the view that the existing portfolio governance structure has worked well to date.

Options to integrate the SBCD governance structure into the South West Wales Corporate Joint Committee, which has legislative powers for economic wellbeing, transport, strategic land use and net carbon, will need to be considered. The Review Team heard that discussions have commenced on how this should be developed, and duplication of membership addressed. Interviewees expressed views that the development of the Corporate Joint Committee should be seen as an opportunity to leverage a stronger regional partnership to realise maximum benefits for the region. This ideally should include a regional strategic approach for external investment and appointing skilled external leads for tourism, digital, marketing and inward investment. The Review Team heard that there is a need for greater collaboration with similar investment and themed initiatives, both within Wales and across other parts of the UK to ensure the opportunity to utilise their experience and lessons learnt are maximised.

The Portfolio is 5 years into its 15 year lifecycle. The Review Team is of the view that now would be an opportune time to consider reviewing the existing Portfolio Governance structure, associated Terms of Reference and Board representatives to ensure that the structure is supportive of the next phases of the Portfolio lifecycle. Particular consideration should be given to ensuring that the Portfolio Management Office is able to bring coherence to the Portfolio by bringing everything together to create something bigger than the sum of the individual projects.

Recommendation 3: Review and refresh the Portfolio Governance structure, considering potential options to integrate within the new Corporate Joint Committee structure, update the terms of reference and membership of the governance bodies should options progress. (Essential – Do by end of CY2023)

8.4: Risk management

The Review Team heard a strong consensus that the programmes and projects are progressing well and that there are no uncontrolled risks. The current high inflation rate is causing an issue in terms of capital costs, although this is mitigated somewhat through a robust and prudent approach to financial management. Overall risk seemed to be managed well through close monitoring and reporting.

Some participants expressed the view that there was a risk that the SBCD might not take advantage of opportunities that arise. Given the extent to which the world has changed over the last few years it would be reasonable to assume that new initiatives might come to the fore (for example, offshore wind), so a process to scan for and integrate these would be useful. It was not clear to the Review Team if opportunities were being managed alongside risks.

The Review Team noted that private sector investment was rated as a Red risk at Portfolio level, although none of the projects/programmes shared this assessment. There may be plausible reasons for this, but it suggests that there may be some lack of understanding around dependency management between projects/programmes and the wider portfolio, or a lack of clarity about responsibility to encourage private sector involvement.

Further embedding RAIDO (Risks, Assumptions, Issues, Dependencies, Opportunities) as a discipline across the Portfolio could yield dividends particularly in the areas of dependencies (to optimise benefits) and opportunities (again, to optimise benefits)

Recommendation 4: Emphasise the focus on Dependencies and Opportunities, particularly in respect of private sector investment and clarity surrounding the respective responsibilities for harnessing and driving emerging prospects. (Recommended – ongoing)

8.5: Review of current phase

Progress

The SBCD is collection of nine Programmes/Projects, grouped thematically as follows:

- *Economic Acceleration*
 - *Swansea Waterfront*
 - *Yr Egin*
 - *Skills and Talent*
 - *Digital Infrastructure*
- *Life Science & Wellbeing*
 - *Life Science and Wellbeing Village*
 - *Life Science, Wellbeing and Sports Campuses*
- *Energy & Smart Manufacturing*
 - *Homes As Power Stations*
 - *Pembroke Dock Marine*
 - *Supporting Innovation & Low Carbon*

The Review Team heard that there had been some slippage, but that this was due to the exceptional circumstances of the last few years and could be accommodated. Several projects had reached completion and were now operational. There was confidence that initiatives would deliver positive outcomes over the next few years.

Overall, there was good feedback on the way the Portfolio has been managed, although concerns were expressed from some quarters about whether this represented an acceptable level of bureaucratic overhead. It was unclear whether these concerns were justified or whether the Portfolio Office needs to do more to explain how it adds value by providing strategic direction and managing synergies.

The Review Team is of the view that consideration should be given to ensuring that the function of Portfolio Management and the role of the PoMO is understood, and that the administrative and Portfolio governance overhead is minimised.

8.6: Readiness for the next phase

Portfolio Management & Resources

The PoMO has performed well to date. It now needs to review how best to support the next stages of the portfolio lifecycle. It is the view of the Review Team that priority should now be given to focus on driving through the Benefits Realisation baselining by agreeing a suitable methodology for the portfolio, together with developing the Benefits Realisation Plan for ongoing monitoring and reporting of benefits realised. PoMO will need to focus on ensuring that they provide the strong strategic drive and direction needed to ensure the broader regional benefits are realised through the sum of all projects. This work should be reflected on an ongoing basis in the Business Case refresh.

Forward Look

It is likely that there will be further political uncertainty over the next 12 months and the economic landscape is likely to remain both challenging and uncertain. The Portfolio will need to ensure it continues to remain cognisant of these challenges and their ongoing impacts on the Portfolio's commitment to planned investments and the realisation of regional benefits. Particular focus should be retained on the supplier's position with regards to ongoing financial viability and appetite to risk. As the component deliverables of the Portfolio are delivered, consideration needs to be given as to what operational governance arrangements are required to best support the move through the latter stages of the Portfolio lifecycle.

9.0 Next Assurance Review

The next Gateway 0 Review (Strategic Assessment) of the Portfolio should be undertaken in 12 months' time – **around July 2024**.

ANNEX A

Purposes of the OGC Gateway Review 0: Strategic assessment:

- Review the outcomes and objectives for the programme (and the way they fit together) and confirm that they make the necessary contribution to overall strategy of the organisation and its senior management.
- Ensure that the programme is supported by key stakeholders.
- Confirm that the programme's potential to succeed has been considered in the wider context of Government policy and procurement objectives, the organisation's delivery plans and change programmes, and any interdependencies with other programmes or projects in the organisation's portfolio and, where relevant, those of other organisations.
- Review the arrangements for leading, managing and monitoring the programme as a whole and the links to individual parts of it (e.g. to any existing projects in the programme's portfolio).
- Review the arrangements for identifying and managing the main programme risks (and the individual project risks), including external risks such as changing business priorities.
- Check that provision for financial and other resources has been made for the programme (initially identified at programme initiation and committed later) and that plans for the work to be done through to the next stage are realistic, properly resourced with sufficient people of appropriate experience, and authorised.
- After the initial Review, check progress against plans and the expected achievement of outcomes.
- Check that there is engagement with the market as appropriate on the feasibility of achieving the required outcome.
- Where relevant, check that the programme takes account of joining up with other programmes, internal and external.
- Evaluation of actions to implement recommendations made in any earlier assessment of deliverability.

ANNEX B

List of Interviewees

The following stakeholders were interviewed during the review:

Name	Organisation and role
WORKSHOP SESSION	
Cllr Paul Miller	Deputy Leader, Pembrokeshire Council, Joint Committee Member
Cllr Steve Hunt	Leader, NPT Council, Joint Committee Member
Cllr Darren Price	Leader, Carmarthenshire Council, Joint Committee Member
Cllr Rob Stewart	Leader, Swansea Council, Joint Committee Chair
INTERVIEWS	
Richard Brown	Assistant Chief Executive Pembrokeshire CC, SBCD Programme Board Member
Anthony Parnell	Treasury & Pension Investments Manager for CCC, SBCD Interim Finance Manager
Wendy Walters	Portfolio SRO, Chief Executive CCC, SBCD Programme Board Chair
Amanda Davies	Pobl Group Chief Executive, Deputy Chair of SBCD Economic Strategy Board
Jon Burnes	SBCD Portfolio Director
Lee Davies	Hywel Dda UHB Executive Director of Strategy and Planning, SBCD Programme Board member
Karen Stapleton	Deputy Director of Strategy Swansea Bay University Health Board, SBCD Programme Board member
Professor Paul Boyle	Vice Chancellor of Swansea University, Joint Committee Co-opted Member
Jason Jones	Property Maintenance Manager, Place and Infrastructure CCC, SWW Regional Contractors Framework
Helen Davies	WG Head of City & Growth Deals, Mid and South West Wales, Welsh Government Observer at SBCD Programme Board
Peter Austin	SBCD Business Engagement Manager
Barry Liles OBE	Pro-Vice Chancellor for Skills and Lifelong learning UWTSD, SRO Skills and Talent Programme
Nicola Pearce *	Director of Environment and Regeneration Neath Port Talbot Council, SRO SILCG and HAPS
Martin Nicholls	Chief Executive Swansea Council, SRO Swansea Waterfront
Professor Elwen Evans KC	Vice Chancellor UWTSD
Gareth Ashman *	UK Government City Deal Lead, UK Government Observer at SBCD Programme Board Member

* Unable to attend

ANNEX C

Progress against previous assurance review (20/07/2022 to 22/07/2022) recommendations:

Recommendation	Progress/Status
Ensure that individual Business Cases are maintained as live governance tools to keep pace with changing dynamics of the operating environment.	Actioned
Embed active monitoring of costs across the Portfolio and map against the benefits profiles, to inform any downstream prioritisation or re-phasing options.	Actioned
Increase access to PoMO intelligence and data for individual Projects, to facilitate proactive analysis and options planning, thus tightening the governance links and improving speed and quality of decision making.	Actioned
Enhance the clarity of reports and communications through increased use of plain, clear language and executive summaries.	Actioned

Portfolio Gateway Review 2023-24 Recommendation Action Plan

ID	Recommendation	Priority	Actions	Target Date	Lead	Sign Off	Status	Dependencies	Update
Gate001	Reinforce communication of the strategic, regionalised approach, both internally and externally, in order to embed further the understanding of the sum of the parts rather than simply individual project benefits.	Recommended	Update the Portfolio Communications and Marketing Plan with emphasis to enhance comms in relation to a regional perspective Calender engagement events including regional showcase events Establish collaborative sub groups for SBCD cross cutting issues and approaches	Jul-24	PoMO	PB/JC	In Progress	Engagement of Projects and Programmes in events and sub-groups	Meet the City Deal Pembrokeshire event held 20th July. Currently planning further events for Qtr 3 and 4 2023/24. Portfolio representation at Careers Wales events, Welsh Business shows, Welsh Construction show and Intro Biz Expo in October Established SBCD Construction and Community Benefits sub group and Monitoring and Evaluation Task and Finish Group. Meetings held and schedule of future meetings set
Gate002	Further develop the benefits management approach to shift the focus to sustainable social and economic uplift, not just enablers.	Recommended	Establishment of an Evaluation Task and Finish group Portfolio M&E plan / benefits realisation plan to be updated with detail on the measurement and evaluation of outcomes and impacts Projects and programme to update benefits realisation plans and registers Develop best practice in collaboration with other City and Growth Deals	Jul-24	PoMO	PB/JC	In Progress	Project and programmes to engage with the Task and Finish group and the development of benefit realisation plans	SBCD Monitoring and Evaluation Task and Finish Group established. Initial meeting held in August and schedule of monthly meetings now set Engagement initiated with other City and Growth Deals to identify best practice
Gate003	Review and refresh the Portfolio Governance structure, considering potential options to integrate within the new Corporate Joint Committee structure, update the terms of reference and membership of the governance bodies should options progress.	Essential	Discussions amongst CEXs / Leaders and key LA Officers relating to the alignment between CJC and SBCD governance structures	Dec-23	SRO / NPT CEX	JC	In Progress	Outcome of discussions among regional authority Leaders and CEXs	Discussions ongoing
Gate004	Emphasise the focus on Dependencies and Opportunities, particularly in respect of private sector investment and clarity surrounding the respective responsibilities for harnessing and driving emerging prospects.	Recommended	Clarity of roles particularly in relation to private sector engagement that leads to collaborations and securing of investment SBCD stakeholders to work with ESB members to identify private sector investment opportunities. PoMO to undertake scoping exercise to assess opportunities for engagement of ESB in SBCD projects Review the portfolio opportunity management approach (esp private sector) across the portfolio	Jul-24	PoMO / PMS	PB	In Progress	Engagement of Projects and Programmes with ESB and potential collaborations	ESB involvement in the development of project proposals and engagement being promoted across the portfolio as projects are developed and delivered PoMO and projects and programmes supporting proposals for the funding and establishment of synergistic initiatives within the region