



Programme/Project Assessment Review (PAR)

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Senior Responsible Owner (SRO)	Professor Keith Lloyd
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Review Team Leader:	Julie Palmer
Review Team Member(s):	Alison Tang (Welsh Government) Elaine Randall (ONS)
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About this report

This report is an evidence-based snapshot of the programme’s/project's status at the time of the review. It reflects the views of the independent review team, based on information evaluated over the review period, and is delivered to the SRO immediately at the conclusion of the review.

This assurance review was arranged and managed by:

Welsh Government Integrated Assurance Hub (IAH)
Cathays Park 2
Cathays
Cardiff
CF10 3NQ

IAH helpdesk: Assurance@gov.wales

1. Executive Summary

This Project Assessment Review (PAR) focused on the Terms of Reference as presented by the SRO, the aim being to provide assurance in the region and to UK and Welsh Government (funding sponsors) that the Life Science, Well-being and Sport Campuses project (Campuses project) is viable and suitable to progress in terms of approval and draw down of City Deal funding.

The Project is one of 9 projects in the Swansea Bay City Deal (SBCD) Portfolio.

The vision is to integrate life sciences, med-tech, sport-tech and well-being to transform services provided in Swansea to drive economic growth and job creation, and to attract significant inward investment into the region. The Morriston site will become the leading specialist tertiary services, clinical research and trials centre and the Singleton site will focus on the provision of sport and sport tech, and well-being - including prevention of ill-health and rehab provision. The ambition is for the project to create 1,000 – 1,120 jobs, attract significant inward and private sector investment, and contribute an additional £150m - £153m to regional GVA.

The investment required to deliver the whole Life Science, Wellbeing and Sport Campuses project will be £161m. Through direct investment of £15m from SBCD, the Campuses project is projected to generate an additional investment of c. £146m over the 15 year period to 2032/33. This is delivered through c. £31m from Phase 1 (£16m Public investment and £15m Private investment) and c. £115m from Phase 2 capital inward investment from private sector partners and developers, the project will create lasting and sustainable economic growth within the region.

The Review Team found that the Campuses Project is well presented, with a comprehensive Outline Business case (OBC) being the primary document that details all elements of the project. The scope, spending objectives, potential benefits and rationale for the preferred option is well understood and there is evidence of effective partnership working across Swansea University, the University Health Boards (Hywel Dda and Swansea Bay), and the Swansea Council. The Project has recently appointed a full time Project manager and has access to considerable support services within the University (Programme Office, Finance, Procurement, Estates) and from the SBCD PMO.

There was detailed understanding of Phase1 (Ph1) of the Project and what was required to get the OBC through the Approvals route, and into the procurement/delivery stage for both the Singleton and Morriston elements. In parallel, the team is working on refining the scope and requirements for Phase 2 (Ph2) of the Campuses Project as it already forms part of the Business case (highlighting the full extent of the ambition) The focus for this Review is Phase 1.

The project has an effective governance structure, meeting the needs of both the SBCD and Swansea University. There are clear routes for reporting and escalation laid out in Terms of Reference associated with the relevant Boards. Meeting actions are recorded.

The project benefits from the close engagement of three stakeholder partners, representing the technology, health and sport sectors, Vodafone, Novo Nordisk and Sports Wales who have all written letters of support.

In terms of procurement, at the time of the Review plans were being developed in readiness for OBC approval. There are two separate procurements for Ph1, reflecting the two sites and the frameworks available to SBUHB and to the University. In addition Ph1 will also include the planning/feasibility element of a potential new access road to the Morriston Hospital site from the M4.

2. Delivery Confidence Assessment (DCA)

<u>Delivery Confidence Assessment:</u>	Amber/Green
<p>The Review Team (RT) finds that the conditions to support successful delivery of Phase 1 of the Life Science, Well-being and Sports Campuses Project (Campuses Project) are evident. Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.</p> <p>The project is at pre-approval stage, and has completed a very detailed draft of the Outline Business case which addresses both Phase 1 and Phase 2 throughout. There is sufficient detail and evidence of thorough analysis to provide a high degree of confidence that this is a viable project with clear business need that will achieve approval from The Welsh Government for the £15million capital funding from the Swansea Bay City Deal (SBCD).</p> <p>The risks to Phase 1 in terms of revenue generation are minimal and the business case has provided sufficient clarity against the affordability challenge, and where this revenue will come from. This revenue also part supports the development and delivery of Phase 2 although the level of investment is considerable and will need funding from inward investment, both public and private.</p> <p>The interviewees, without exception, voiced support for the project as the vision and objective of the project is a good fit for the Region and will deliver positive outcomes. Once Phase 1 is delivered it has the potential to attract c.£115m Phase 2 capital inward investment from private sector partners and developers.</p> <p>There is evidence of effective partnership working across Swansea University, the University Health Boards (Hywel Dda and Swansea Bay), and the Swansea Council. In addition, the project has secured the support from 3 three stakeholder partners, representing the technology, health and sport sectors, Vodafone, Novo Nordisk and Sports Wales, who have all written letters of support.</p> <p>There is a risk associated with increased costs to develop the two sites and therefore the requirements and design need to be managed carefully throughout to ensure that Ph1 remains affordable within the funding envelope.</p> <p>A key risk associated with the Campuses Project come from the level of Investment required to secure the Phase 2 element of the project. Whilst the ToRs for this Review focused on Ph1, the Business Case deals with both Phase 1 and Phase 2 . The RT acknowledge the strength of Phase 1, but it proved difficult to separate out the fact that realisation of the full benefits remain dependent on the ability to fund and successfully implement Ph2.</p> <p>The key areas to focus on are:</p> <ul style="list-style-type: none">• Achieving the Phase 1 capital funding• Delivery of Phase 1 (Sketty Lane build and Morrison refurbishment)• Managing the cost associated with the design and build element.• Using the success of Ph1 delivery to attract further inward investment in order to deliver Phase 2.	

3. Summary of report recommendations

The Review Team makes the following recommendations which are prioritised using the definitions below:

Ref. No.	Recommendation	Urgency (C/E/R)	Target date for completion	Classification (Please enter the categorisation number from the list provided here)
1.	To enhance readability of the business case, consideration should be given to moving the lower level detail of the policy alignment to an appendix.	E- Essential	Pre-OBC submission	Context, Aims and Scope 8.3 Business case
2.	The project should seek to formalise the involvement of the project delivery partners at the earliest possibility in order to secure investment and partnership working.	R - Recommended	Post-OBC approval and throughout delivery as potential partners come on board.	Stakeholder Management 2.3 Relationship management across organisational boundaries
3.	Complete a stakeholder mapping exercise to understand and document the impact and influence of each key stakeholder (or stakeholder group where necessary) in order to prepare a targeted and detailed communications plan as part of the overall stakeholder engagement strategy	E- Essential	Pre-OBC approval	Stakeholder management 2.1 Engagement Strategy and Planning
4.	Develop a Benefits plan in line with the FBC, outlining base-line measures, target measures, timescales and owners	E- Essential	In line with FBC development	Benefits Management and Realisation 6 Benefits Management and Realisation
5.	Re-evaluate benefits at regular milestones throughout delivery to ensure that the FBC has access to all potential benefits	E- Essential	Throughout project	6 Benefits Management and Realisation
6.	Update the Economic case to describe each one of the CSFs	E- Essential	Pre OBC submission	Context Aims and Scope 8.3 Business case
7.	Campuses Project manager and the two Procurement teams to work together to manage costs effectively at every stage of	E- Essential	Post-OBC approval, delivery stage	Programme and Project management 3.1 Planning

Ref. No.	Recommendation	Urgency (C/E/R)	Target date for completion	Classification (Please enter the categorisation number from the list provided here)
	the procurement to ensure that there is minimal risk of cost overrun			
8.	Develop a risk strategy incorporating best practice approaches to risk management, thus strengthening the effectiveness of the risk log	R - Recommended	Pre-OBC approval	Risks, Issues and Dependency Management 9.2 Management of Risks
9.	Create a standard Action/Decision Log to support the effective management, tracking and reporting of progress at the project board	R - Recommended	Pre-OBC approval	Programme and Project management 3.1 Controls
10.	Ensure that the Communication to all stakeholders (industry, academia, public, etc) is effective and relevant by bringing the benefits to life through case studies and real-life examples.	E- Essential	Pre-OBC approval	Programme and Project Management 3.6 Communication

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the programme/project 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/project should benefit from the uptake of this recommendation.

4. Areas of good practice and lessons learnt

- Successful Track Record of Swansea University's ILS ensures that proposals and benefits are based on sound foundation and experience
- Engaged SRO and Project team
- Engaged and fully supportive stakeholders with strong partnerships evident
- Effective support from experts in Swansea Uni and SBCD PMO that are available to the Project team
- Active engagement with Industry partners
- Extensive stakeholder engagement and workshop approach to establish need and requirements for Ph1 and Ph2, with evidence of additional papers and research in support of the business case development

5. Areas of concern

- In general, the ability to maintain focus on achieving the vision over the period of the Business case, to ensure that benefits are delivered as planned.
- The level of Investment required to deliver the benefits in the remaining SBCD timescale (up to 2033) is significant to create the ecosystem which is critical to realising the benefits for the long term.

6. Acknowledgement

The Review Team would like to thank the Life Science, Well-being and Sport Campuses SRO, Project Team and interviewees for their support and openness which contributed to our understanding of the Project and the outcome of this review. Particular thanks to Naomi Joyce and Sarah Davies for their excellent administration, organising the interviews and documentation and ongoing support throughout the period of the review.

7. Comments from the SRO

On behalf of the The Campuses project team, I would like to thank the Review Team, all who took part in the interviews and, more broadly, our partner organisations in this exciting venture particularly Hywel Dda University Health Board, Swansea Bay University Health Board, and Swansea Council.

Our industry and community partners have indicated their support for the project and I especially look forward to deepening our links with them. Life Sciences Hub Wales, The Economic Strategy Board and David TC Davies Wales Office Minister have also all provide valuable input and advice on the project together with other colleagues from UK and Welsh Governments

I particularly note the Review Team's recognition of the strengths of Phase1 as this is both the phase of the project to which the City Deal Funding is attached and that acts as a catalyst for Phase 2. We also recognise that Phase 2 is inherently more risky due to the scale of the separate external investment required and will work with the Review Team and others to ensure focus is maintained to ensure benefits are delivered as planned

The Life Science, Well-being and Sport Campuses project will deliver community benefits beyond med -tech and sports tech, jobs, skills, education, innovation and research. As well as elite sport, there will be benefits for community health and wellbeing, and community participation and engagement in sport.

The Project Team will address the recommendations and these will help enrich the Campuses project if approved for funding.

Finally, thank you once more to the Review Team for their professionalism and attention to detail both of which are much appreciated.

8. Summary of the Programme/Project

Background and context:

The project harnesses unique capabilities and the thriving Institute of Life Science (ILS) and health (NHS) ecosystem in the Swansea Bay City Region to establish an international centre for innovation in life science, well-being and sport, supporting interventions in healthcare and medicine and driving the growth of a globally significant Sports Tech industry. As part of the South Wales Health and Life Sciences Corridor, the project will contribute complementary and unique capabilities to enhance regional and UK sector-leading presence.

The project builds on the impact and credibility of the Institute of Life Science, and the proven ecosystem fostered by the partners to deliver academic, industry and NHS-led innovation and economic growth. To date, ILS has created 30 companies and 800 jobs, attracting £36 million in inward investment, and delivering a return of £3 for every £1 in public money received.

The project will deliver R&D, trials and testing facilities, enabling co-location of research and industry alongside clinical infrastructure and investment opportunities. An emphasis on digital and data-driven innovation at the intersection of life sciences, health, well-being and sport is a key differentiator for this project within the South Wales health and life sciences innovation corridor described.

The vision is to integrate life sciences, med tech, sport and well-being to transform services provided in Swansea to drive economic growth and job creation, and to attract significant inward investment into the region. The project will link into the wider ecosystem of provision for the benefit of the local population, and for the development of regional and national excellence in sports and life sciences. As a result, the Morriston site will become the leading specialist tertiary services, clinical research and trials centre and the Singleton site will focus

on the provision of sport and well-being - including prevention of ill-health and rehab provision. The ambition is for the project to create 1,000 – 1,120 jobs, attract significant inward and private sector investment, and contribute an additional £150m - £153m to regional GVA.

The link between sport and population well-being is well documented. The opportunity is to create the conditions that enable technology innovation that supports population health and sporting endeavour, across the life course and inclusive of disadvantaged communities and able/disabled people. The project spans preventative health and public participation in sport through to personalised medicine and elite performance and will lead the growth of the UK Sports Tech sector.

MedTech and Sports Tech are synergistic industries. Devices and sensors developed for use in sport (e.g. for gait analysis) can find application in healthcare (e.g. for physiotherapy). “Smart clothing” (e.g. printed, heated garments) are being developed for elite sport but have application in healthcare settings. Wearables that monitor heart rate, oxygen saturation, cadence, balance and impact from falls/collisions have clear value for both medical and sport/well-being purposes. Technologies developed to help athletes recover after training are relevant to patient rehabilitation, while innovations in wound care and reablement can help elite athletes monitor healing from injury, enabling them to return to competition sooner.

The project is a partnership between Swansea Council, Swansea Bay University Health Board, and Swansea University alongside Hywel Dda University Health Board and supported by the ARCH (A Regional Collaboration for Health) Partnership. It benefits from the close engagement of three project delivery partners, representing the technology, health and sport sectors.

The project builds on the impact and credibility of the Institute of Life Science, and the proven ecosystem fostered by the partners to deliver academic, industry and NHS-led innovation and economic growth aligned with planned development of the major regional hospital at Morriston. At its core, this project seeks to

1. Expand the current infrastructure to support a widening of the ecosystem into new, targeted areas (including digital innovation in sensors, devices and materials, with applications in health, well-being and sports settings), and
2. Attract private investment into the Swansea Bay City Region from multinational companies and SMEs in the MedTech and Sports Tech sector.

Aims and objectives:

The project seeks to harness innovations in Life Science, MedTech and Sports Tech to enable the population to be fit and active – thereby improving quality of life and mental well-being, contributing to GVA, jobs and economic performance, and reducing the economic burden on the National Health Service. As such, the project’s three, primary organisational drivers are:

- Growing the regional economy.
- Improving the nation’s health.
- Growing the sport economy in Wales.

The project is demonstrably aligned to the UK, national (Wales) and regional strategic and policy context, particularly:

- The ambition for the UK to be the world's most innovative economy, with emphasis on research-led life sciences, digital innovation and the AI revolution.
- Support to enable a healthier, active and productive population, harnessing digital technology and innovation across the life course, and from general population health to targeted interventions.
- The creation of high quality jobs, skills and training opportunities to strengthen the regional economic base and enhance the competitiveness of the regional economy.
- The need to create opportunities to foster innovation and entrepreneurship in high-value research, development and innovation initiatives.

The project is also a key component in the SBCD portfolio, and the differentiating and synergistic characteristics with the Pentre Awel initiative are described.

The case for change sets out how the project builds on the distinct ecosystem and partners' track record of success to create a unique testbed within the Swansea Bay City Region, driving innovation and entrepreneurship and attracting commercial investment. The project spending objectives are:

- **Employment:** To support the growth of high value employment within the sector by creating in excess of 1000 jobs across the region by 2033.
- **High Growth Facilities:** To expand the specialist facilities and pipeline of new enterprises in the sector through the creation of 12,000m² of mixed laboratory, office and test-bed space within the region over the 15 year period.
- **Regionalisation:** To enhance the regional Innovation ecosystem by expanding the ILS infrastructure to include two further sites by 2025.
- **Ecosystem:** Enhance the region and UK sector profile by capturing major international opportunities through capturing 4 major inward investment opportunities and developing a cluster of 300 firms within the cluster by 2033.
- **Commercialisation:** To expand the pipeline of innovation opportunities to include the supporting in excess of 100 new innovation and commercialisation opportunities during the project period with a £48m co-investment into enterprise partnerships by 2033.

The project responds to unmet need to deliver key outputs across two phases. Supported by the City Deal, the first phase encompasses establishment of ILS activities (~700sqm) at the Morriston Regional Hospital site, design, planning, submission of planning permission, and procurement framework for new road access to unlock the site's investment potential, and creating ~2,000sqm of dedicated research & innovation space within the Sketty Lane Sports Park. The second phase (not funded by the City Deal) will deliver the development of a 55-acre Innovation Park and a national centre of excellence with performance sport infrastructure.

The project targets 1,000 - 1,120 jobs created and a Gross Value Added of £150m - £153m. It will further enable 100+ new commercialisation opportunities, four significant inward investments and the development of a related cluster of 300 enterprises.

The Case shows there is an industry demand for

- **Facilities:** The ILS ecosystem is oversubscribed, with trend lines showing a current shortfall of physical space (~2,800 square metres) and capacity to develop industry collaborations.
- **Scale:** Expanded facilities and a new focus on Sports Tech will ensure that the region's research remains globally competitive to attract further investment and collaborations.
- **Skills:** The need to ensure a sustained pipeline of talent coming into the life sciences, well-being and sport innovation sector at every level, from school leaver through to industry professional.

By addressing these three imperatives, the project will contribute to the City Deal's core objectives to grow GVA and create jobs.

The potential project scope is therefore to establish an ILS footprint at Morriston and to expand the ILS infrastructure at Singleton to create a novel focus on technology/data-led innovation in sport, well-being and life science research and skills, and to harness this regional infrastructure to leverage investment that supports the development of a larger life science park at Morriston in addition to investment in the Sketty Lane Sports Village.

Key Milestones:

Milestone	Date (dd/mm/yy)
OBC Approval	Q4 2021
Funding agreements signed	Q1 2022
Project Manager appointed	Q3 2021
SBCD Business Plan Approved	Q4 2021
Establish additional ILS Innovation Centre at Singleton	Q1 2025
Establish additional ILS Innovation Centre at Morriston	Q1 2023
Submit planning application to unlock the wider Morriston site	Q3 2023
Development of the Swansea Bay Sports Park at Singleton	Q2 2027
Development of the Health and Life Science Park at Morriston	Q2 2030
Develop strategic partnerships securing 3 strategic anchor partners	Q2 2027
Realise the creation of 1000-1120 jobs	Q1 2033
Attract 4 significant inward investments	Q1 2029
Realise £150—153m cumulative increase in GVA (*Please refer to the Economic Case for treatment of this time horizon)	Q1 2033*
£78.8m (£6000 per job against Welsh average) wage premium	Q1 2033
Citizen receives one additional year of perfect health valued at £15,000 (est population impact 250,000 people)	Q1 2033
Develop a cluster in excess of 300 firms	Q1 2033
Develop inn excess of 100 new innovation and commercialisation opportunities	Q1 2033

Approval milestones.

Hywel Dda R&I Sub Committee endorsement 13/09/21
 ARCH Partnership Board endorsement 21/09/21
 SBUHB Health Board endorsement 19/08/21
 SU University Council 04/10/21
 SC Cabinet 16/09/21
 City Deal Joint Committee 14/10/21
 WGCGIB and Gov approval target Q4 21

9. Scope/Terms of Reference of the Review

The Project Assessment Review (PAR) will provide assurance to the region and to the UK and Welsh Governments (the funding sponsors) that the Life Science, Wellbeing and Sport Campuses project is viable and suitable to progress in terms of approval and draw down of City Deal funding.

The PAR will engage with all key stakeholders to gather information and views to test and challenge the project and ensure that the Life Science, Wellbeing and Sport Campuses project undergoes a Delivery Confidence Assessment that demonstrates that the business case is:

1. Aligned to UK and Welsh Government policy
2. Remains a regional priority for Swansea Bay City Region stakeholders
3. Based on sound evidence and input, confirming the objectives and deliverables set out in the Benefits Plan are identified, clearly defined and achievable.
4. Viable for an investment decision by Welsh and UK Government
5. Able to develop and implement a competitive procurement strategy to ensure adequate response from the market
6. Financially viable in terms of affordability over the 15-year programme lifecycle
7. Governed appropriately with controls and measures in place to manage and mitigate project risks, milestones and deliverables

10. Detailed Review Team findings in line with Terms of Reference

10.1 Aligned to UK and Welsh Government policy

A comprehensive description of the project's alignment to multiple strategic objectives and policies has been included within the strategic case and is widely understood by stakeholders.

Stakeholders recognise that the more recent addition of the 'SportsTech' element to the business case was an exciting prospect that had strengthened the overall proposition, presenting a unique opportunity to develop the Swansea Bay area into a leader in this field, and to build on existing reputation.

The OBC has an 8 page series of tables referencing all of the strategy and policy drivers associated with this Project (3.2.5). The RT was of a view that the amount of information in the strategic case could potentially detract the reader/approver from the key points and would advise that the elements are listed in a simple table with reference to an Annex containing the detailed information.

Recommendation 1: To enhance readability of the business case, consideration should be given to moving the lower level detail of the policy alignment to an appendix.

10.2 Remains a regional priority for Swansea Bay City Region stakeholders

The RT had sufficient evidence that the project benefits from strong support and a shared common vision across a broad range of stakeholders.

The engagement of 3 project delivery partners representing the technology, health and sport sectors (Vodafone, Novo-Nordisk, Sport Wales) is clearly evident and has been agreed to date via letters of support that broadly state their intent for involvement with the project. The RT learnt that all partners are keen to engage with the Project, although at this stage, not committing any investment. They can support the project by providing access to technical expertise, potential test-beds, their marketing and data analytical expertise, and in addition provide access to their own organisation's stakeholders and partners. It will be crucial to maintain the engagement and dialogue with these partners, as the project progresses through approval of the OBC. Some interviewees were keen to see a more formal agreement at this stage.

Recommendation 2: The project should seek to formalise the involvement of the project delivery partners at the earliest possibility in order to secure investment and partnership working.

Swansea University as a whole benefits from partnerships and relationships with a wide range of private sector organisations. Consideration should be given as to whether any of these existing partners could be brought into this project.

The project has prepared a market engagement strategy and plan, and a more formal stakeholder engagement strategy is in development. This will be critical for the promotional and outreach activities planned to attract investment and to ensure that commitment is retained over time as the project moves forward into delivery and implementation.

Recommendation 3: Complete a stakeholder mapping exercise to understand and document the impact and influence of each key stakeholder (or stakeholder group where necessary) in order to prepare a targeted and detailed communications plan as part of the overall stakeholder engagement strategy.

The business engagement and communication roles outlined within the project delivery team structure will be crucial and it is not clear when recruitment against these roles will commence.

10.3 Based on sound evidence and input, confirming the objectives and deliverables set out in the Benefits Plan are identified, clearly defined and achievable.

The main focus for the Campuses project to date has been on the development of the OBC in order to secure the City Deal funding whilst referencing both Ph1 and Ph2 throughout. The RT recognise that this has involved a considerable amount of work over a long period of time, with changes having been made to many aspects of the project including the scope (by including the Sport tech element alongside the ILS elements). The project has sought input from a wide range of stakeholders on all aspects (agreeing scope, objectives, outcomes, requirements, identifying and assessing benefits etc) and from supporting services within the University to develop a compelling document. The resulting OBC is recognised as a high quality proposal by key stakeholders, highlighting the foundation behind the ambition, accompanied by detailed costs and benefits.

The Welsh Government approval of the OBC is planned for Dec 2021. Prior to that point, there are a number of additional Boards that will need to have sight of the OBC, either for information, endorsement or approval (at Joint Committee). The Approvals route appears complex, but is well understood and the Project has a timeline which will enable them to achieve the final approval milestone.

The SRO is fully engaged and committed to achieving the vision as laid out in the OBC.

Swansea University and in particular ILS, has an excellent track record in achieving successful outcomes (to date ILS has created 30 companies and 800 jobs, attracting £36million in inward investment), and this was highlighted by many interviewees who expressed confidence in the ability of this project to achieve its vision and benefits. In addition Sports Science in Swansea has an excellent reputation.

The project is preparing for the next phase of delivery, with the recent appointment of a full-time Project Manager (PM). Plans are already being developed for the post-approvals phase of the project, and the PM will add detail to these plans as the activities and timescales required are all identified and confirmed. The PM needs to work with the wider Swansea University support teams and with the SBUHB Procurement Team to ensure that there is a single view of all project activity that can then be used to monitor progress effectively. The PM role will also take day to day project workload away from the SRO and current Project lead, allowing them to focus on key stakeholder engagement, investment plans and Phase 2.

Benefits.

The Benefits Register (appendix A4) clearly outlines the benefits from both Ph1 and Ph2 of the Campuses Project. These were scoped during initial project development and accounted for in the options appraisal and in the cost benefit analysis work. The benefits cover quantitative indicators for the implementational and operational phases, along with qualitative indicators, and these are summarised in the OBC Executive Summary.

The Benefits align to the many strategies referenced in the OBC e.g. Taking Wales Forward 2016-21, and the register indicates when the benefits are due to be realised, at a high level and associated with either Ph 1 or Ph 2. The project would benefit from a Benefits Plan as a product to be developed in line with the Full Business Case (FBC), which will detail when the benefits will be realised, along with allocation of owners for each of the key benefits. The benefits will continue to be achieved beyond this SBCD milestone.

Benefits were identified and mapped to outcomes/outputs during a number of stakeholder workshops and as a result there is evidence of sound analysis behind each benefit. The document also states where the benefits will come from (fees, rental, research grants etc). Sensitivity analysis in the Financial Case ensures that for various scenarios (cost increase/reduced revenue) the benefit profile remained positive. The RT were told by a number of interviewees that the benefits were considered conservative at this stage and this may need to be re-evaluated in line with development of a Full Business Case and the associated Benefits Plan.

Recommendation 4: Develop a Benefits plan in line with the FBC, outlining base-line measures, target measures, timescales and owners.

Recommendation 5: Re-evaluate benefits at regular milestones throughout delivery to ensure that the FBC has access to all potential benefits.

Benefits tracking will form part of the quarterly report required for the City Deal Projects (feeding in to the SBCD Annual performance review). The RT acknowledge that the City Deal PMO, and Project Board will provide an effective assurance role throughout the project ensuring that the benefits remain on track and achievable.

10.4 Business Case – viability for an investment decision by Welsh Government.

Overview:

Overall the OBC was very comprehensive and contained sufficient evidence that makes a compelling and persuasive business case. However the RT found that the key objective and deliverables of the project did not stand out clearly enough in the

introduction section or the Executive summary. The project team can enhance the introduction to the OBC by incorporating a more powerful statement about what this project will deliver.

Strategic case:

The Review Team found the Strategic Case and overall objectives of the Campuses Project are strong and it aligns well with the multiple strategic objectives.

The project is a partnership between City and County of Swansea, Swansea Bay University Health Board, and Swansea University alongside Hywel Dda University Health Board and is supported by the ARCH (A Regional Collaboration for Health) Partnership. It also benefits from the close engagement of three project delivery partners, representing the technology, health and sport sectors.

The project is a key priority for Swansea University and fits well with the University aims and objectives, and is supported by the Vice Chancellor (VC) and Senior Leaders.

The interviewees, without exception, voiced support for the project as the vision and objective of the project is a good fit for the Region and will deliver positive outcomes. Once Phase 1 is delivered it has the potential to attract c.£115m Phase 2 capital inward investment from private sector partners and developers.

Economic Case:

The economic case was comprehensive and thorough enabling the Review Team to understand how the short list of options was developed and subsequently how the preferred option for a mixed - dual site incremental development and focused major development was selected. Evidence provided in the OBC supporting the preferred option makes it a compelling and strong economic case.

The preferred option supports the vision of integrating life sciences, med tech, sport tech and well-being to transform services, which will drive economic growth, job creation, improve health and well-being, and attract significant inward investment.

The critical success factors (CSF) as listed in the Economic Case are not aligned with measurable Project outputs and outcomes. For example in the table 4.5, one of the CSF is Business Needs and the response is 'Aligns broadly with identified requirements' for the preferred option. It is not clear what the CSF means and how it will be measured.

CSF descriptions should be developed in order to demonstrate what success will look like when Phase 1 is delivered. This will provide the clarity required to be able to base-line, track and measure the CSF.

RECOMMENDATION 6: Update the Economic case to describe each one of the CSFs.

Commercial / Financial Case:

The financial case is comprehensive, and a number of assumptions have been specified to justify the Revenue element of the Project and therefore the affordability. The RT heard from some interviewees who felt that the Revenue figures are conservative. This reflects the work done on the sensitivity analysis where the worst case, best case and most likely cases were developed and the financial case reflects the most-likely case scenario.

The capital expenditure of £15m over 5 years for Phase 1 is to come from Swansea Bay City Deal with a further £16m from private investment.

The RT received sufficient evidence that Ph1 has been subject to robust sensitivity analysis, testing its financial robustness and this was proven against all scenarios.

It is more difficult at this stage to comment on the long term financial viability over the 15 year programme lifecycle. This is dependent on the successful delivery of Phase 2 and the on-going commercialisation and partnership activities to attract new SMEs and larger organisations to the region, providing the necessary tools and support for start-ups and supporting the enduring sustainability for their businesses to grow and expand so that they will remain in the region.

However, the RT acknowledge that the Project is set up for successful delivery, and that this uncertainty is common across similar projects at this stage in the lifecycle.

Management Case:

The management case contains all the relevant information on how the project will be managed.

The project delivery team numbers appear low for the size of the project. However the Review team understand that they can draw upon existing resources within Swansea University via a support network for Procurement, Financial, PPM support, as and when required.

The newly appointed Project Manager will focus on developing detailed plans to include all activities across project including procurement, to make certain the project is ready to move to delivery stage once the OBC is approved, thus maintaining the momentum and drive of the project.

The OBC identified some initial project risks with notes as to mitigating actions, these are not all reflected in the project risk register. The RT acknowledge that these were identified at a time when the workshops were taking place and recommend that reference is made to this in the business case.

The delivery approach as described in the OBC is a two phased approach. The Review Team learnt that Phase 1 can be a standalone project however to ensure wider benefit realisation to the economy in the region and being a viable financial investment it will require the successful delivery of Phase 2 as well, and it was difficult to separate the two phases as the long term success of the Campuses project is dependent on both Phases, and this is the thread throughout the OBC. It was clear that the successful delivery of Phase 1 acts as an enabler for the longer-term vision and strategy.

10.5 Commercial / Procurement Approach (linked to ToR 5)

Commercial / Procurement Approach

The commercial case for the capital expenditure provides in depth details on the procurement strategy, principles and route. It was clear to the Review Team that the procurement route would be separate for the two different sites delivered under Phase 1 of the project.

Swansea Bay University Health Board (SBUHB) will lead the procurement activities for the re-development / refurbishment of the Management Centre (~ 700sqm Institute of Life Science (ILS) space) at Morriston Regional Hospital site and planning for new road access from the M4 directly to the 55-acre site. Contract value of up to £2.5m.

Whilst Swansea University will lead on the procurement activities for the development (~2,000sqm) of new facility for dedicated research & innovation space within the Sketty Lane Sports Park. Contract value of up to £12.75m.

The RT were made aware of a risk to the affordability of the Ph1 build due to increased costs in construction and materials and this is reflected in the Risk Register. The Campuses project manager and both procurement teams will need to work together to ensure that the requirements and design into Procurement remain mindful of this risk.

RECOMMENDATION 7 – The Campuses Project manager and the two Procurement teams to work together to manage costs effectively at every stage of the procurement to ensure that there is minimal risk of cost overrun.

10.6 Governed appropriately with controls and measures in place to manage and mitigate project risks, milestones and deliverables.

The project benefits from a clearly defined governance structure, with key stakeholders already attending relevant boards as necessary. There is a need to ensure that there are opportunities to change membership as appropriate based on the lifecycle phase.

The approval route for the Business Case is complex but is well understood and a visual representation of the timelines for the various stages of approval has been prepared. The project team will need to be mindful of any re-work or re-submission that may be needed following each stage of approval, and ensure that adequate time is built into the plan in order to meet these timelines.

The project has prepared a risk log that has been populated with an initial set of risks. However there is a need to develop the register to assign risks to specific owners rather than groups, and to show an update against the mitigating actions (with dates) to demonstrate that the risks are being actively managed.

Recommendation 8: Develop a risk strategy incorporating best practice approaches to risk management, thus strengthening the effectiveness of the risk log.

The risk log can also be expanded into a RAID log, with the inclusion of assumptions, issues and dependencies.

The OBC contains an initial list of risks generated via a risk workshop, however the scoring of these risks differs from the scoring mechanism used within the project's risk log. The RT acknowledge the timing and recommend that reference is made to this in the business case.

A key risk discussed throughout the review relates to the potential need for a new access road from the M4 to the Morriston site. This risk does not yet appear within the risk log and should therefore be included. It is evident that this is a dynamic risk that has evolved since the OBC was drafted and is potentially not the 'showstopper' that is currently described within the OBC. The description of this risk within the OBC should be updated to represent the latest position, highlighting the ongoing discussions and that there is a need for a feasibility study to look at all options.

A review of the project board documentation provided has highlighted that the minutes from the project board include a set of actions, however it is unclear which of these actions are open or closed, and there is no overall audit trail against the full set of actions arising from the board.

Recommendation 9: Create a standard Action/Decision Log to support the effective management, tracking and reporting of progress at the project board.

10.7 Readiness for next Phase

The RT looked at this through two lenses, the first in relation to Phase 1 of the Project which is subject to City Deal funding, and the second, in relation to Phase 2, which is where the ambition for the Campuses project will be achieved.

For Phase 1, the delivery approach once the OBC has been approved is well understood and all areas who need to be involved have been engaged. There are high level plans in the Management case for both the Morriston refurbishment and the new building at Sketty lane (Design/Procurement/construction activities). The RT did not have sight of any detailed plans at this stage, but learned that these are being developed. Plans need to take account of all the activities associated with Phase 1, (requirements gathering, stakeholder engagement, communication, marketing to name but a few) and the newly appointed PM is well placed to develop the existing plan into a level of detail that can be effectively monitored. The two Procurement Teams will maintain their own plans once Procurement commences, but they will need to feed into the overall plan to ensure that Risks, Issues, Dependencies and any assumptions are managed effectively.

The RT learned that plans to develop further relevant Project documentation is in hand, this will include a Communications Plan, Benefits Plan etc. The project is able to draw on additional support from the many services available at Swansea University and the SBCD PMO.

The Communication Strategy and Plan needs to take account of how this project will be shared with the local community as there will be a need to provide press briefing and regular updates. The balance to achieve is to stimulate interest from prospective companies and partners whilst at the same time highlighting the advantages that this focus on Well-being and Sport will bring to the Region. The RT recognise the many benefits associated with the project and recommend that all parties work together to create an effective narrative.

Recommendation 10: Ensure that the Communication to all stakeholders (industry, academia, public, etc) is effective and relevant by bringing the benefits to life through case studies and real-life examples.

The final element of Phase 1 is the planning and feasibility study associated with a new road access from the M4 to the Morriston site. The OBC highlights this as an essential deliverable for Phase 2 and the development of the 55 acre site. The feasibility study and alignment to the SBUHB services strategy will ensure that the correct decisions are made regarding the requirement for this access road.

Phase 2 will deliver a Health and Innovation Park as part of a 55 acre development on the Morriston site with provision for SMEs, and larger companies, again attracted by the proven ecosystem fostered by the partners to deliver academic, industry and NHS-led innovation and economic growth.

In addition Ph2 will deliver a national Centre of Excellence with performance sports infrastructure, attracting Sports Tech and related companies, along with a centre for community sport and leisure.

The full range of benefits outlined in the OBC are dependent on Phase 2.

It is evident from the interviewees and from documents that a significant amount of work has been put into shaping Ph2, as it was essential to ensure a comprehensive OBC, highlighting costs and benefits. This work will continue in line with the delivery phase associated with Ph1.

The new PM can maintain focus on Phase 1, allowing the SRO and others to continue to scope out Phase 2.

10.8 Blockers

n/a

11. Next assurance review

PHASE 1 milestones plan shows delivery in 2023 and 2025. The RT recommend a further review ahead of these dates and advise the Project team to consult with the SBCD PMO to review the Integrated Assurance Plan (IAAP). The RT would recommend a further Gateway prior to FBC submission.

ANNEX A - List of Interviewees

The following stakeholders were interviewed during the review:

Name	Organisation and role
Professor Keith Lloyd	SRO, Executive Dean PVC, Faculty of Medicine, Health and Life Science
Dr.Naomi Joyce	Senior Lecturer, Biomedical Science and Project Manager
Gareth Davies	Associate Professor, Deputy Head of Department, School of Management
Gareth Stratton	Chair in Paediatric Exercise Science, Sport and Exercise Sciences
Richard Arnold	Finance Manager, Swansea Bay City Deal
Phil Kloer	Hywel Dda University Health Board. Deputy Chief Executive and Executive Medical Director
Sarah Jones	Director of Finance, Swansea University
Mark Hackett	Deputy Chief Executive and Executive Medical Director, Swansea Bay University Health Board
Rhodri Griffiths	Innovation Adoption Director
Chris Foxall	Interim Chair of the Economic Strategy Board for Swansea Bay City Deal
Paul Morton	Senior Business Manager, Vodafone
Brian Davies	Director Sports System, Sports Wales
Avideh Narzeri	Novo Nordisk, Vice President Clinical Development, Medical and Regulatory Affairs
Owen Cullen	Deputy Head of Procurement, Swansea University
Jon Burnes	Portfolio Director, Swansea Bay City Deal
Councillor Rob Stewart	Chair of Swansea Bay City Deal Joint Committee and Leader of the City and County of Swansea