



## **OGC Gateway™ Review 0: Strategic assessment**

<b>Portfolio Title:</b>	<b>Swansea Bay City Deal</b>
<b>IAH ID number:</b>	<b>AH/21/46</b>

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<b>Senior Responsible Owner (SRO):</b>	Wendy Walters
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<b>Department/Organisation of the Programme</b>	Swansea Bay City Region
<b>Review dates:</b>	19/07/2021 to 21/07/2021
<b>Review Team Leader:</b>	David Wilkin
<b>Review Team Members:</b>	Gez Martin Andy Thomas Linda Weaver
<b>Previous Review:</b>	Gateway 0 15/07/2020 to 17/07/2020 Delivery Confidence Assessment – Amber
<b>Security Classification:</b>	Official

**This assurance review was arranged and managed by:**

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## 1.0 Delivery Confidence Assessment (DCA)

<b>Delivery Confidence Assessment:</b>	<b>Amber/Green</b>
<p>The Review Team finds that the Swansea Bay City Deal Portfolio has made significant progress in the past 12 months.</p> <p>The establishment of a professional, well-resourced Portfolio Management Office has been key to that progress, as has the dedication and commitment of the SRO in evolving the governance arrangements. It is also evident that the leadership of the individual programmes and projects has been key to successful delivery in these regards.</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> <p>The Review team observes strong stakeholder support and optimism across all sectors and a commitment from the Joint Committee to spending wisely now that the funding has come on stream from UKG/WG.</p> <p>The Review Team makes a small number of recommendations in the areas of:</p> <ul style="list-style-type: none"> <li>• Stakeholder engagement and communications;</li> <li>• Outcomes and Benefits;</li> <li>• Evolving governance; and</li> <li>• Support to constituent Programmes and Projects</li> </ul> <p>The Portfolio is very well placed to progress towards success, but constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.</p>	

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

<b>RAG</b>	<b>Criteria Description</b>
<b>Green</b>	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.
<b>Amber/Green</b>	Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
<b>Amber</b>	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.
<b>Amber/Red</b>	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.
<b>Red</b>	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

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.	Update the stakeholder map, engagement strategy and communications plan and establish the potential to make greater use of dashboard information to convey updates to different stakeholder groups.	R - Recommended	End of November 2021	2.1
2.	Confirm that the intended Outcomes and Benefits remain realistic given the impact of Covid and Brexit and the shortening of the UKG funding timeframe.	E- Essential	End of October 2021	5
3.	Update the Terms of Reference for, and membership of, the Portfolio Board and ensure that all Members and Attendees understand their respective roles.	E- Essential	End of October 2021	1.1
4.	Identify opportunities for the PoMO to extend its targeted support to constituent Programmes/Projects to reduce the PMO burden on those Programmes/Projects.	R - Recommended	End of October 2021	3.5

**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**

This Review is timely and recognises the significant progress that has been achieved during the past 12 months and that the SBCD Portfolio and governance arrangements are well placed to further progress its delivery and successful outcomes. It is pleasing that the Review Team have recognised that the establishment of the PoMO has been key to this progress as well as the commitment of key stakeholders, relationships with Governments and the effective operation of the City Deal governance arrangements.

Funding is now flowing from both Governments to the projects and the Portfolio has transitioned into delivery for many projects with focus very much on realising the economic and community level benefits to the region.

The four recommendations within the report, and the other advisory and supportive comments, will all help us to achieve this and will be shared and discussed with our key stakeholders.. The Review report and outcome provides the assurance to me as SRO, the City Deal team and all our key stakeholders that the Portfolio is heading in the right direction, whilst clearly highlighting the main challenges ahead. This for me is a significant achievement in view of the challenges faced over the last year as a result of the Covid 19 pandemic. There are uncertainties and risks associated with the economic context in which we operate and we will need to remain attentive and flexible in coming months/years to ensure successful delivery of the Portfolio.

As a team we will strive to ensure that the momentum is maintained to the high standards that have been set as the Portfolio moves into full state of delivery and operations in 2021/22. I would like to thank the Review Team for the professional, constructive and thorough manner in which the Review was undertaken.

## **4.0 Background**

The background and aims of the Portfolio are set out in the Portfolio Business Case (March 2021).

### **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 is outlined in the Swansea Bay City Region Economic Regeneration Strategy 2013 – 2030, which represents 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.

The SBCD Portfolio consist 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 £1.147bn, 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
<b>Economic Acceleration</b>		
Swansea City & Waterfront Digital District	669.8	1,281
Yr Egin	89.5	427
Digital infrastructure	318.8	-
Skills and Talent Initiative	-	-
<b>Life Science &amp; Well-being</b>		
Life Science, Well-being and Sport Campuses	150.0	1,120
Pentre Awel (Life Science & Well-being Village)	467.0	1,853
<b>Energy and Smart Manufacturing</b>		
Homes as Power Stations	251	1,804
Pembroke Dock Marine	343.4	1,881
Supporting Innovation and Low Carbon Growth	93	1,320
<b>SBCD Portfolio total</b>	<b>2,382.5</b>	<b>9,686</b>

#### **Current position regarding previous assurance reviews:**

This is the second Gateway Review of the Portfolio. The recommendations of that 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 a mid-cycle Gateway 0 Review.

Additionally, the Review Team was given a number of areas for focus:

1. Review progress on the previous Gateway recommendations
2. Implementation of Monitoring and Evaluation arrangements and particularly the arrangements for Benefit Realisation
3. Portfolio governance and assurance arrangements, particularly:
  - risk / issues
  - change control
  - audit and scrutiny
4. Securing the anticipated private sector investment in the delivery of the programmes and projects
5. Lessons learned through the Regional / Government approval process
6. The changing economic context and the alignment / impact on the portfolio eg: Corporate Joint Committees (CJCs), Post Covid / Brexit, SBCR Strategy Review, Green Growth priorities, Regional Economic Framework, involvement with wider regional / national initiatives
7. Arrangements for the delivery phase of Portfolio including procurement and programme / project start up process
8. Effectiveness of stakeholder engagement and the opportunities for engagement with the wider community in the delivery of the Portfolio.

## **8.0 Review Team findings and recommendations**

### **8.1: Policy and business context**

#### Strategic Context

The Swansea Bay City Deal (SBCD) is being delivered via a collection of related projects. SBCD has been variously referred to as a 'Programme' and latterly as a 'Portfolio'. This terminology was the subject of discussion at the last Gateway Review and, currently, both terms are in circulation (e.g. Programme Board / Portfolio Management Office – PoMO). For the purposes of this Gateway Review, the Review Team will use the terms interchangeably to refer to SBCD.

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:

- 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 UK Government 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, 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.

In the context of Covid-19, there is much talk of the need to invest in infrastructure to revive the economy. As such, Portfolios such as SBCD would appear to be strong candidates to receive firm support from both UKG and WG.

### **8.2: Business Case and stakeholders**

#### Business Case Status

At the time of the previous Gateway Review (July 2020), the Portfolio Business Case was in the early stages of construction. It 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 Review Team observed a significant progress in the intervening year, with a high-quality Portfolio Business Case having been assembled by the PoMO.

At this juncture, the Portfolio Business Case (v2.1, dated 11 March 2021) has been approved by both UKG and WG and is a live control tool for the constituent Pg/Pj. 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.

Several Pg/Pj Business Cases have been approved in the past 12 months and work is well underway.

### Funding

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 over 3 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 Deal Region. Additionally, there is an element of WEFO funding which is time bounded, which appears to be on track for spend.

At this juncture, the funding appears to be flowing satisfactorily to enable the Pg/Pj to progress. The previous Gateway Review explored the sensitivities surrounding contractual commitments and the cost of interest incurred by individual Local Authorities in relation to specific projects. This Gateway review will not re-visit that topic as it appears to have dissipated in prominence from the attentions of stakeholders. The Review Team observes that a healthy relationship appears to exist among Section 151 Officers and the PoMO.

The Review Team heard that the UKG funding element is to be shortened from 15 years to 10 years, though the total funding amount is to remain unchanged. Interviewees were unable to substantiate the detail of this proposed change, but it will have an impact on the phasing of the funding. In theory, acceleration is positive, as it should enable Pg/Pj to progress more rapidly, though in practice there could be a number of constraints introducing impediments to progress and subsequent reduction of benefits, especially if a 'use it or lose it' principle is applied.

### Stakeholders & Communications

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

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

There are portfolio-level Communications and Marketing Plans which include a basic stakeholder analysis, and an Engagement and Investment Framework aimed at engaging private sector businesses. In addition to this, a stakeholder Strategy and Plan exists. Whilst various stakeholder groups are identified, the Review Team believes that it may be advantageous if identification was extended to an individual level.

The current governance structure and composition has evolved as the portfolio has taken shape and greater disciplines and better-resourced standardisation of processes have been embedded. As such, the governance membership has served a dual purpose of decision-making and stakeholder communications, but continues its evolution as the Portfolio Management Office (PoMO) grows in prominence as the primary P3M professional 'powerhouse' of the SBCD.

Interviewees observed that SBCD papers are professionally presented, but that it is not always clear to them what information they need to focus on. There is an opportunity for further tuning in this regard, particularly with graphical synopsis to provide key information 'at a glance'.

Some frustration was expressed that the PoMO maintains a tight grip on controlled communications, which hinders pace and resolution of enquiries coming from stakeholders outside the immediate circle of the core Portfolio Management team. Whilst appreciating the need to keep track of Portfolio messaging, particularly in respect of alignment across the Pg/Pj communities, the Review Team encourages pragmatism where respectful protocols can be adopted.

Overall, however, most interviewees are of the view that stakeholder engagement is positive. There is an appetite for greater, more responsive, communications, perhaps exacerbated by the departure of the comms staff member, yet to be replaced. Furthermore, there is a desire amongst university and health board sectors to have tighter coupling between their executive boards and the SBCD to add value to complementary strategic planning.

In summary, stakeholder engagement and communications are well underway, and there is an opportunity to seek further improvements on an ongoing basis as the delivery of the Portfolio progresses.

**Recommendation 1: Update the stakeholder map, engagement strategy and communications plan and establish the potential to make greater use of dashboard information to convey updates to different stakeholder groups. (Recommended)**

### **8.3: Management of intended outcomes**

#### Outcomes & Benefits

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 has seen references to benefits in various Pg/Pj documents, and there is an SBCD Benefits Profile. However, the benefits are not particularly prominent to some Programme Board (PgB) members who have little time to devote to their role and feel that they have little input in the prioritisation of benefits. The Review Team also understands that benefits are not seen by Joint Committee (JC) or they are 'buried' in the documents shared with PgB and JC. To enhance visibility and awareness of benefits, they should be dealt with by PgB and escalated to JC if necessary. This could be, for example, in a visual and easy-to-digest format such as a dashboard or other suitable presentation.

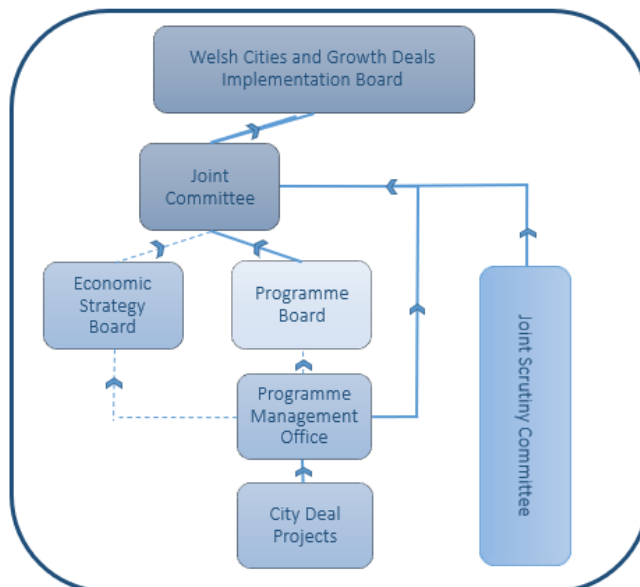
In relation to benefits realisation, there are some specific impacts which will affect budgets and could dilute benefits in the future; these include: Covid, the increased costs of materials and lack of skills available for construction in the wake of Brexit, and the reduction of the UKG funding timeframe. This may also undermine current business cases. This should be mitigated by agile management (as far as possible within the constraints of public sector requirements) and dynamically adapting to the changing landscape.

The Review Team heard that a new change management process has been introduced and is currently being tested across the portfolio. If proven to be efficient and effective, this new process should ensure that all stakeholders are aware of and understand the impacts. This understanding needs to be coupled with good communications and engagement. Together, these should contribute to keeping benefits projections realistic and achievable, including those for social value (for example, health, environment, skills, etc.).

**Recommendation 2: Confirm that the intended Outcomes and Benefits remain realistic given the impact of Covid and Brexit and the shortening of the UKG funding timeframe. (Essential – Do by end Oct 2021)**

Governance

The Portfolio Business Case (March 2021) defines the governance arrangement for the SBCD Portfolio as shown diagrammatically below:



## Joint Committee / Programme Board / Economic Strategy Board

The Joint Committee comprises the Leaders of the four Local Authorities. It is, ultimately, the sponsoring group for the Portfolio and maintains strategic oversight, policy alignment with UKG/WG.

The Programme Board (soon to be re-branded as Portfolio Board) is chaired by the SRO, who is accountable for ensuring the success of the Portfolio.

The Economic Strategy Board (ESB) provides insights from the private sector and is seen as a strength in the governance of SBCD.

The previous Gateway Review highlighted the need for greater specificity in the division of accountabilities between the JC and the PgB, particularly in relation to empowerment of the SRO and the avoidance of unnecessary escalations to the JC for decisions. At this juncture, the Review Team observes that this has largely been achieved, though the emergence of potential 'Corporate Joint Committees' in Wales could introduce a further iteration of fine tuning for the governance of SBCD.

The SRO now appears to be appropriately empowered, and the Review Team observes a good working relationship between the PgB / JC, with harmony also demonstrated across the constituent Local Authorities.

Several interviewees expressed concern that the volume and complexity of SBCD could be leading to overstretch within the JC, and more-targeted meetings centred around 'decisions sought' could be of merit. Overall, however, governance is working well.

Given the disconnected nature between funding flow and Pg/Pj business cases (and the overarching Portfolio business case), there is a keenness to ensure that the JC and PgB have sufficient flexibility to vire funding across Pg/Pj to ensure continued balance between funding availability and delivery pace.

Governance reporting is said to have improved dramatically in the past 12 months, with standardised templates and documents working well. There is an appetite, however, for greater use of dashboard and summary information that is easily accessible to multiple audiences, instantly informative and results in much reduced duplication of narrative across the documentation set.

PgB composition is somewhat unclear, with several 'Programme Board Members' unsure of whether they are a (decision-making, vote-holding) 'Member' or an 'Attendee' for stakeholder representation. Clarity is required and should be easily addressed.

As the CJC proposals progress, the PgB composition and purpose could also evolve, particularly as the constituent Pg/Pj gain traction. This could see (as one example) all Pg/PJ SROs as members of the PgB. Given the complexity of the Portfolio and the need for all SROs to have a solid understanding of their accountabilities (not all SROs do, especially if they do not have a P3M background). The WG P3M Head of Profession ought to be well placed to facilitate SRO coaching and training sessions if required and it could be worthwhile for SBCD to explore this option.

It is clear that, as a minimum, the Terms of Reference for the Programme Board (as it re-brands into the Portfolio Board) will need revision to ensure that it has the correct composition and that all participants are clear on, and committed to undertaking, their roles

**Recommendation 3: Update the Terms of Reference for, and membership of, the Portfolio Board and ensure that all Members and Attendees understand their respective roles. (Essential – Do by end Oct 2021)**

## 8.4: Risk management

### Risk Management Practices

There was clear evidence of sound Risk Management practices, with many interviewees demonstrating and articulating a clear understanding of the major risks facing SBCD and confidence that they were being managed as effectively as possible.

Stakeholders expressed the view that they welcomed the description of risks, impacts and mitigations, although the format of the current Risk Register could be difficult to follow. There were comments that the Register was also extremely busy in terms of content. The PoMO could find it useful to introduce a target risk resolution rating which would allow the Portfolio to close lower level, managed risks, thus de-cluttering the Register, whilst the introduction of a risk proximity date would identify whether a risk had developed into an issue; thereby facilitating a different management strategy. A dashboard flagging more imminent or severe risks would also highlight where more management attention is required.

In summary, Risk Management practices are effective, but there is always scope to embrace some of the more esoteric techniques in the application of RAIDO (Risks, Assumptions, Issues, Dependencies, Opportunities) Management.

## 8.5: Review of current phase

### Progress

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

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

The Review Team heard that currently the regional economic strategy is being reviewed and that there is significant interest and participation. Several interviewees expressed strong optimism around the potential for the reviewed strategy to boost regional cohesion with the attending support for the SBCD as a regional portfolio.

The Review Team believes that inter-regional working relationships and engagement have strengthened significantly since the previous review and are in a good position to evolve further supported by the regional economic strategy.

The Review Team recognises that much work has gone into supporting private sector investment, such as tailoring procurement within the limits of regulations, to enable smaller businesses to participate and strengthen regional and local, sustainable supply chains. Based on the conversations and available documentation, the Review Team is of the view that more could be done to attract private sector investment on a larger scale across the portfolio, with the Engagement Framework and the Economic Strategy Board being key to this aspect of the SBCD.

- Economic Acceleration
  - o Swansea Waterfront: The Review Team heard that the project is progressing well and that procurement and planning around the innovation matrix are on track. There appears to be strong optimism with building work progressing and therefore some very tangible signs of progress. The Review Team understands that changes to the Innovation Matrix component of this project required a change request which is currently being considered via the new change process.
  - o Yr Egin: The Review Team understands that Phase 1 of this project is progressing well including having attracted tenants and also there are very tangible and highly visible sign of progress.
  - o Skills and Talent: The Review Team heard that regional learning and skills is in the process of being reshaped and that it is aiming to align its footprint with the portfolio footprint with a focus on vocational and education regarding key skills development; bringing all partners together in a pan-regional footprint has the potential to greatly enhance the benefits the programme can realise.
  
- Life Science & Wellbeing
  - o Life Science and Wellbeing Village (Pentre Awel): A business case is being developed which aims to gain stronger links across the portfolio to increase opportunities. Tender for Zone 1 contractors has been issued and will be evaluated in July. The plan is to begin construction in September. The outlook remains optimistic though there is recognition that the rising costs of construction have a tangible impact on this project.
  - o Life Science and Wellbeing Campus: Attracting private sector investment has been impacted by impact of Covid on the economic landscape. There is strong optimism that the project can adapt and recover any ground lost to Covid.
  
- Energy & Smart Manufacturing
  - o Homes As Power Stations: Business Case has been approved. The Review Team heard that this project / programme is affected by the costs of construction and challenges around attracting labour and appropriate skills.
  - o Pembroke Dock Marine: Funding agreements have been resolved. This means a major and fundamental milestone has been achieved, relieving significant funding pressures on both the private sector partners and on Pembrokeshire County Council who had committed to fund interest costs.

- o Supporting Innovation & Low Carbon: The Review Team heard that the programme has significant interest from UKG and WG, and that delivery is underway with strong partnership working between academia, industry and the public sector.

### Portfolio Management & Resources

Whilst stakeholder relationships were, on the whole positive within this community, the Review Team found that opinions could vary depending on circumstance. There was clear evidence that interviewees found that structured control in general had improved as a result of enhanced PoMO mobilisation, which is now almost at full strength.

The Review Team noted that there was a difference in staffing levels and some specialist skills between PoMO and the constituent SBCD projects, with some interviewees having to balance SBCD duties against their normal day to day operational roles. Although not unusual, this disparity can lead to a demand for higher levels of response from those projects to PoMO. At a Portfolio level, it would seem to be advantageous for these relationships to be progressed to further embed standards across all Pg/Pj but balanced against respective workloads.

The reasonably broad geographical area covered by SBCD, combined with the diverse nature of many of the projects led to some concerns being expressed at the demands placed on them by the PoMO. The Review Team recognises that a level of standardisation is required to facilitate effective reporting, escalation of risk and ensuring compliance with standards etc. However, given the resourcing levels of some projects mean that some flexibility could be considered where possible and appropriate to support enhanced collaboration through the PoMO 'extending its reach' to provide assistance at Pg/Pj level.

**Recommendation 4: Identify opportunities for the PoMO to extend its targeted support to constituent Programmes/Projects to reduce the PMO burden on those Programmes/Projects. (Recommended)**

### **8.6: Readiness for the next phase**

#### A Look Ahead

The SBCD Portfolio is well placed for the next phase, however the next phase might be defined. The past 12 months have seen the establishment of a well-resourced professional PoMO and the implementation of professional standards across all constituent Pg/Pj.

As each constituent Pg/Pj progresses and the Portfolio 'wrapper' maintains strategic alignment with both UKG and WG Policy evolution and funding, interviewees identified areas for ongoing attention to build on the already achieved step change in P3M Capability:

- There could be closer networking between the PoMO and regional project offices, perhaps evolving organically so that oversight and support go hand in glove, rather than resulting in a negative / burden or 'extra' layer
- There will be a need to continue managing inter-governmental and pan-regional relationships and the tension between the pan-regional and national (UK and Wales) strategic and social change ambition vs the range of regional conditions and influences / risks

- There is an opportunity to strengthen regional skills partnerships, with a need to focus on digital and construction in order to address skills shortages and supply chains for materials.

In summary, the SBCD SRO and team have achieved a significant leap forward since the last Gateway Review. Momentum and professional standards should be maintained, along with a quest to further a 'one team ethos' across all stakeholder groups.

## **9.0 Next Assurance Review**

The next Gateway 0 Review (Strategic Assessment) of the Portfolio should be undertaken in 12 months' time – **around July 2022**.



# 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
Philip Ryder	SBCD PoMO Manager
Sian Harrop-Griffiths	SBUHB Director of Strategy
Tracey Meredith	SBCD Monitoring Officer and Programme Board Member
Wendy Walters	SBCD SRO, Chief Executive of Carmarthenshire Council, Chair of Programme Board
Richard Brown	Interim Chief Executive, Pembrokeshire Council
Phil Roberts	Chief Executive Swansea Council and Vice Chair of SBCD Programme Board
Chris Moore	SBCD S151 Officer. Director of Corporate Services CCC, Programme Board Member, Project SRO
Martin Nicholls	Director of Place, Swansea Council and SBCD Programme Board Member, Project SRO.
Professor Steve Wilks	Swansea University Provost and SBCD Programme Board Member
Paul Williams	Hywel Dda UHB Head of Property Performance and SBCD Programme Board Member
Nicola Pearce	NPT Director of Environment and Regeneration, and SBCD Programme Board Member, Project SRO
Helen Davies	WG Head of City and Growth Deals, Mid and South West Wales and SBCD Programme Board Member
Gareth Ashman	UKG Programme and Project Management Lead, SBCD Programme Board Member
Jason Jones	CCC Head of Regeneration, Project SRO
Chris Foxall	Chair of SBCD Economic Strategy Board
Jonathan Burnes	SBCD Portfolio Director
Stephen Baldwin	UWTSD – Director of Resources and Business Planning
<b>WORKSHOP SESSION</b>	
Cllr Rob Stewart	SBCD Joint Committee Chairman and Leader of Swansea Council
Cllr Emlyn Dole	SBCD Joint Committee Member and Carmarthenshire Council Leader
Cllr Edward Latham	SBCD Joint Committee Member and Neath Port Talbot Council Leader
Cllr David Simpson	SBCD Joint Committee Member and Pembrokeshire Council Leader

## ANNEX C

### Progress against previous assurance review (15/07/2020 to 17/07/2020 recommendations:

Recommendation	Progress/Status
Resolve the inertia introduced by Portfolio/Programme terminology and agree with UKG/WG the <i>purpose</i> of the business case to drive its rapid approval and set the framework for constituent Project Business Case approvals.	Complete
Obtain written confirmation from UKG/WG of explicit description of the conditions required to trigger SBCD funding to flow and negate the need for any further reference other than normal reporting mechanisms.	Complete
Evaluate the merit of differentiating the accountabilities for strategic oversight and delivery control, thus empowering the Programme Board to exercise its function with agility and in line with the delivery tempo of the programme.	Complete
Obtain written confirmation from UKG/WG of the acceptance criteria for closing down the response to the external review of February 2019.	Complete
Reinforce the importance of a strong and well-resourced PMO to provide a solid engine room for SBCD – the ‘information power house’ that underpins momentum.	Complete
Promote the merit of discovery funding within the Growth Deal approach for project feasibility and innovation work in order to accelerate viable projects and avoid protracted start-up of non-viable projects.	Complete