



Swansea Bay City Region Joint Committee - 23 June 2022

Digital Infrastructure Update

Purpose:	To inform Joint Committee of the progress made and status of the SBCD Digital Infrastructure Programme
Policy Framework:	Swansea Bay City Deal Region Joint Committee Agreement
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For Information	

1. Introduction

- 1.1 The Digital Infrastructure Programme of the Swansea Bay City Deal is an investment in the digital connectivity and associated telecommunications infrastructure of the region. This includes but is not limited to full fibre fixed connectivity, 4G Advanced, 5G, Internet of Things (IoT) Digital Innovation Network and use cases. In essence it is the deployment of enabling technology that will allow quality digital services to be delivered and accessed over future-proofed fixed line networks or wireless networks.
- 1.2 The programme will deliver the underlying Infrastructure required to support and underpin the regions broader digital economy. It will ensure that the region is equipped with future-proofed digital infrastructure that will provide the transformative foundations for City Deal interventions and wider regional growth. The programme will aid social inclusion and cohesion in a post Covid-19 world.
- 1.3 Gigabit capable ultra-reliable connectivity will ensure that the region capitalises on opportunities to accelerate economic growth and establish itself as a centre of excellence in the key sectors of, energy, life science and well-being and smart manufacturing. Future proofed digital infrastructure will create a paradigm shift in the design, development, and application of technology within these key sectors across the region.

- 1.4 The breadth and quality of digital infrastructure available in Wales has fallen behind that found in many other parts of the UK. This is compounded by the fact that there are significant differences within Wales itself. The reasons for this do not only rest with the topology of the region and the fact that it is heavily rural, but it is also a deeper issue related to digital awareness, affordability, and commercial appetite for investment by the communications service providers (CSPs).
- 1.5 There is broad and proven recognition that the provision of digital services drives economic growth and enables social inclusion and cohesion. There is also a growing recognition that the availability of world class digital connectivity stimulates innovation and the creation of new business streams. The clear conclusion is that the Swansea Bay City Deal (SBCD) must address any shortfall in the availability of digital connectivity in the region. It must invest in digital connectivity to obtain a competitive advantage and it must drive the uptake and quality of those services that are already available.
- 1.6 Improving the digital infrastructure of the region is critical as it has suffered from a lack of commercial investment that has consequently resulted in an underlying gap in delivery capability. These gaps need to be closed for the SBCD and the region to achieve its goals.

2. Digital Programme Status

2.1 Business Case

- A comprehensive Digital Infrastructure Programme Business Case was produced during Spring/Summer 2020 in collaboration with appointed consultants and local, regional, and national stakeholders.
- Significant stakeholder engagement and consultation of the Business Case took place throughout Summer/Autumn 2020.
- The Business Case and all associated plans were scrutinised and refined locally, regionally, and nationally during Summer/Autumn 2020.
- A comprehensive stage gate review of the Digital Infrastructure Programme was conducted by Government appointed external experts in November 2020. The Programme was awarded amber/green status.
- Local & Regional endorsement for the Digital Infrastructure Programme and its Business Case was achieved in November 2020.
- In March 2021, the Digital Programme received Ministerial endorsement from both the Welsh Government & UK Government.
- Updating and refinement of the Business Case is ongoing throughout the lifetime of the 5 year Programme. The latest updated version was presented to and endorsed by the SBCD Digital Infrastructure Programme Board in April 2022.

2.2 Governance

- Both the Digital Infrastructure Programme and overarching City Deal Portfolio Governance is fully established and functioning. These governance structures ensure robust, effective regional decision making and accountability.
- A Digital Infrastructure Programme Board has been fully established. Membership of the Board comprises senior representation from the Programmes key regional partners with the opportunity to co-opt representation from additional key stakeholders as and when required. Terms of reference are in place, agreed upon and reviewed monthly.
- A Senior Responsible Officer for the Programme is in place along with a Programme Board Chair and Vice Chair.
- The Programme Risk Register is fully operational and scrutinised monthly by the Digital Infrastructure Programme Board.
- The Digital Infrastructure Programme is represented at several national forums of relevance i.e., Welsh Governments Digital infrastructure barrier busting taskforce and UK Governments Digital Connectivity Infrastructure Accelerator early adopter group.
- The Programme has a comprehensive Integrated Assurance and Approval Plan (IAAP) and Risk Potential Assurance (RPA) Matrix in place which follows regional and national formats and requirements. Both the IAAP and RPA are regularly reviewed in consultation with the City Deal PMO.

2.3 Funding

- Access to £25M City Deal funding for the Programme is secured with operational budgets confirmed and managed through monthly budget monitoring.
- The primary funding agreement for the Digital Infrastructure Programme has been signed. This was developed in consultation with the 4 Local Authorities and in accordance with all relevant financial and legal requirements. This enables the Programme to draw down funding for expenditure incurred from the Regional City Deal PMO.
- A collaboration agreement between the 4 Local Authorities and the central Programme team has been drafted and is currently out for consultation with lawyers in each authority. Once all parties are content these agreements will be signed, enabling local authorities to draw down direct costs incurred in delivery of the Programme at a local level from the central Programme team, most significantly for recruitment of local resources defined within the Programme.
- The following additional public sector funding has been secured across the region, helping to achieve the aims and objectives of the Digital Infrastructure Programme:
 - £3.5M from regional partners for demand stimulation, supplier engagement, barrier busting and infrastructure deployment support and facilitation.

- £9.2M Superfast Cymru funding for rural infill procurement of gigabit broadband across the Swansea Bay City Region.
 - £1M from the Welsh Governments local broadband fund to address remaining non superfast premises.
 - > £500K for community broadband projects via UK Governments Gigabit Voucher scheme.
 - £400K for an open access wireless “Internet of Things” innovation network across the region.
- Lobbying for, facilitating, and supporting further public and private sector investment in digital infrastructure across the region is ongoing. The delivery of Programme procurements will commit substantial amounts of additional private sector funding in the region which is already being delivered with significant success.

2.4 Resources

- Appointment of specialist advisors Spirit Public Sector to the Digital Infrastructure Programme is complete. Spirit provides all necessary technical and commercial advice and support as required by the Programme in achieving its objectives.
- Recruitment of a central Digital Infrastructure Programme team is complete:
 - 1 x Digital Programme Manager (Appointed March 2020)
 - 2 x Digital Project Managers (Appointed Summer/Autumn 2021)
- SBCD Regional Portfolio Office resources are in place and fully supporting the Digital Infrastructure Programme.
- Local Authority resource recruitment to support local delivery of specific Projects within the regional Programme is ongoing. Job profiles have been drafted and approved by the Digital Programme Board for:
 - 4 x Next Generation Infrastructure Managers (1 per Local Authority)
 - 4 x Digital Connectivity Support and Engagement Officers (1 per Local Authority)
- Each authority is currently taking the roles through their internal HR processes.

3. Digital Programme Delivery Summary

3.1 Connected Places Workstream

Project 1. Hub Sites Procurement.

Description: Procurement of ultrafast fibre infrastructure to public sector sites and assets across the region, future proofing public services and stimulating significant investment in additional fibre build to business and residential premises.

Status: Mobilisation Phase

Final site lists are currently being collated from regional partners. The case for investment and commercial approach are being refined with procurement planned for Summer 2022.

Project 2. Duct build and commercialisation.

Description: Potential commercialisation of existing public sector owned duct and building of new duct for use by the public sector and telecoms industry for deployment of full fibre infrastructure.

Status: Pending

Market engagement for Project 1 – Hub sites procurement (above) will determine the scope of this project through testing and assessing the commercial appetite and / or requirements for duct across the region. A decision will be required from the Digital Infrastructure Programme Board at that point regarding whether this project is required.

Project 3. Regional Digital Strategy & Opportunities Portfolio.

Description: A recommendation was made during the last Governmental stage gate review that the region should develop a digital strategy to help maximise the economic opportunities that gigabit capable and next generation digital infrastructure presents for the region.

Status: In Delivery

A scope was developed and subsequently authorised by SBCD Digital Infrastructure Board in December 2021 and Regional Directors in February 2022. An exception report has been authorised to award this work to SQW given the importance of close alignment between a Regional Digital Strategy and the opportunities and priorities already identified in the SWW Regional Economic Development Plan produced by SQW in late 2021. The work is now in delivery with stakeholder and partner engagement ongoing. The work will be ready for scrutiny and endorsement by Summer 2022. This will ensure strong alignment with the region's investment plan for the Shared Prosperity Fund as they will be developed concurrently.

3.2 Rural Workstream

Project 1. Rural In-fill Broadband Procurement

Description: Procurement of broadband for some of the hardest to reach, worst served premises of the region with a superfast connection as a minimum.

Status: Pending

Currently in discussion with UK Government and Welsh Government to ensure this procurement is subsidy control compliant and complementary to national programmes currently being planned. An OMR is currently out for public review which, once complete, will further inform the relevance and/or scope of running a regional scheme of this nature.

Project 2. Supplier & Government engagement

Description: A programme of telecoms industry supply side engagement to stimulate and facilitate investment in digital infrastructure across our region.

Status: In Delivery

This project has been in delivery for some time. Led by the Digital Programme Manager, regional partners and Digital Infrastructure leads it is proving fruitful with significant additional private and public sector investment attracted and ongoing. This investment is making significant contributions towards our overall programme objectives and benefits and those of individual Local Authorities and partner organisations. This work will continue for the duration of the programme and will be further enhanced through the appointment of two local resources in each authority.

Project 3. Connectivity Support & Engagement

Description: A coordinated demand stimulation, support, and engagement programme to raise awareness and drive adoption of ultrafast connectivity in businesses and residential consumers.

Status: Partial Delivery

This project is partially in delivery and ongoing across some of the worst served parts of our region. The work of partner local authorities and the regional team is proving to be highly successful in stimulating voucher scheme funded projects and helping communities and businesses to access improved digital connectivity via various means. The work is being led and steered by the Digital Infrastructure boards nominated lead for our Rural workstream and various resource contributions from Local Authorities. This work will be significantly enhanced and expanded as one of the additional local authority resources being recruited and funded by our programme is dedicated to delivering this workstream in their County.

3.3 Next Gen Wireless Workstream

Project 1. SBCD Digital Infrastructure Accelerator

Description: Establishing a dedicated specialist team of Next Generation Infrastructure Managers within each of the 4 local authorities to act as the single point of contact for mobile and fibre operators, Welsh and UK Government and internal departments to streamline and improve processes for deploying digital infrastructure. These 4 people will be employed by the individual local authorities but funded by and work to the regional Digital Infrastructure Programme. They will be tasked with driving and facilitating the industries investment in mobile and fibre infrastructure and delivering a programme of work to address strategic and operational issues designed to accelerate and facilitate the deployment of fixed and mobile infrastructure across their relevant county. This work will ensure that the Swansea Bay City Region and its partner organisations are recognised as a proactive partner by industry and Government in all matters relating to digital infrastructure improvements, thereby accelerating improved connectivity for businesses and residents.

Status: Mobilisation Phase

Job profiles have been produced in collaboration with all relevant partners and stakeholders and authorised by the Digital Infrastructure Programme board. Each of the 4 local authorities will now recruit over the next 3 months with support from the central Digital Infrastructure Programme team. A structured programme of work is being prepared to ensure a coordinated and collaborative approach across the region.

Project 2. 5G Use Cases, Trials & Testbeds

Description: Funded intervention to deliver 5G connectivity and/or use cases in key selected locations across the region.

Status: Mobilisation

Planning and scoping is ongoing. The scale of opportunity across the region significantly exceeds the allocated £2.5 million budget for this project. Assessing the growing list of opportunities against the priorities and objectives of the region is ongoing. A recommendation on the most beneficial investments is expected in the next 3 months.

Project 3. Regional IoT Digital Innovation Network

Description: Deployment of an Internet of Things (IoT) wireless Digital Innovation Network across the Swansea Bay City Region.

Status: In Delivery

The Programme is working in collaboration with the Welsh Government and regional Local Authorities to deploy an Internet of Things (IoT) Digital Innovation Network across the Swansea Bay City Region. £400K of funding was secured from the Welsh Government with Local Authorities' contributing by installing and hosting the necessary infrastructure. This Digital Infrastructure Programme has allocated £100K of funding to facilitate the building of the network with strategic and technical contributions from the Programme team. A joint plan is being developed for marketing and promoting the network, the benefits, and potential uses. A launch event is planned for Autumn 2022.

4. Digital Programme Risks

The Digital Infrastructure Programme has a comprehensive risk register which is used to identify, record, monitor and mitigate against all Programme and individual Project risks. There are currently 26 live risks being managed across the Programme, of which the following 2 are classified as red:

Title	Risk description	Control actions
Lack of available Local Authority, University and Health Board resources to support the Programme and it's individual Projects due to Covid response and their	IF there is a lack of resource availability within Local Authorities, Universities and Health Boards to assist with Programme/Project delivery because of the response to Covid19 and other workload pressures THEN there is a risk that timescales and deadlines	1. Continue to work closely with LA's, Uni's and Health Boards to understand resource pressures and ensure requests for resource commitment are discussed as early as possible and with as much clarity as possible.

own competing priorities.	will not be achievable and that the benefits of the Programme may not be fully realised.	<p>2. Proposal to embed 2 x human resources within each of the 4 Local Authorities of the Region to assist delivery of individual Digital Projects authorised by Board. LA's to prioritise recruitment.</p> <p>3. Continue to propose a resourcing structure for the individual Projects of the Programme which clarifies exactly what additional resource commitments if any are required from each of the partner organisations.</p>
Regional funding and collaboration agreements.	IF the Region does not agree templates and protocol for funding and collaboration agreements to facilitate Regional City Deal Programmes (Digital, Skills and HAPS) THEN the Digital Programme cannot recruit and fund resources for individual Projects within the Regions Local Authorities and potentially cannot deliver the Programme on behalf of the Region.	<p>1. Continue to engage with regional finance and legal leads to ensure timely production of and amendments to funding and collaboration agreement templates.</p> <p>2. Escalate the risk to Portfolio level for relevant action and control.</p> <p>3. Escalate to the relevant Digital Board member for action within their own Local Authorities.</p>

5. Financial Implications

- 5.1 Risks will be managed through monitoring and evaluation at both Project and Programme level and reported, via the Swansea Bay City Deal's Programme Management Office, to the Joint Committee, where appropriate.
- 5.2 Specific Programme financial risks are outlined within the strategic case component of the Digital Infrastructure Business Case.
- 5.3 The procedures around the management of City Deal funding are detailed within the Joint Committee Agreement.

6. Legal Implications

- 6.1 There are no additional legal implications associated with the report.

Background Papers: None

Appendices: None