



Swansea Bay City Region Joint Committee – 13 February 2025

## Private Sector Investment/Contribution Report

<b>Purpose:</b>	To update Joint Committee on the current situation with SBCD portfolio private sector investment and contributions
<b>Policy Framework:</b>	Swansea Bay City Deal
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<b>Legal Officer:</b>	Debbie Smith Chief Legal Officer, SBCD
<b>For Information</b>	

### 1. Introduction

- 1.1. This report provides Joint Committee with an appraisal of the status of private sector investment/contribution across the SBCD Portfolio.
- 1.2. The Swansea Bay City Deal (SBCD) portfolio is a £1.3bn investment across nine headline business cases delivering 36 projects, with an initial estimate of £637m contribution from the Private Sector by 2033.
- 1.3. Six of the nine programmes and projects have contributed to this report.

### 2. Background

- 2.1 This report supersedes the May 2023 report as previously submitted to SBCD Governance groups. It provides an update on the achievement of and forecasted figures for Private Sector Contribution across the Portfolio
- 2.2 The report addresses the SBCD Portfolio amber risk against the achievement of private sector contribution (PSC). It seeks to detail what type of contribution is expected for each programme / project and when it is expected to be achieved.
- 2.3 The term contribution is being used across this report as it best describes the variety of ways the private sector may part-fund City Deal programmes and projects (P&Ps).

- 2.4 The Swansea Bay City Deal (SBCD) portfolio business case originally forecasted a £1.3bn investment across nine headline business cases delivering 35 projects, with an estimated £637m contribution from the Private Sector by 2033.
- 2.5 Following a financial reprofile in Q3 2023/24 the Business Case forecast was £636.56m
- a. The current (Q3 24/25) private sector investment forecast is circa £669.14m
  - b. which indicates a £32.57m increase over the Q3 23/24 reprofiled target.
  - c. Circa £32m over the original Portfolio target of £637m.
- 2.6 Over the life span of the Portfolio the achievement of private sector contribution is expected to increase as projects establish themselves and move into delivery and operation. This is expected to be realised from 2025 onwards.
- 2.7 The private sector investment is critical to the realisation of Portfolio benefits and remains largely on track throughout the remaining 10 years of the SBCD Portfolio.
- 2.8 There is a wide acceptance and recognition that projects and programmes are experiencing slippage in business case development and delivery due to several macro-economic factors, including COVID, availability of resources and recruitment, energy prices, construction costs and inflationary pressures. This is being closely monitored and reported through SBCD governance frameworks.
- 2.9 Private sector contribution is being highlighted as a Portfolio amber risk due to the uncertainty and impact that it has on successful delivery of the Portfolio. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.
- 2.10 The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process.
- 2.11 This report provides the private sector investment status, forecasts and supporting private sector narrative for the Portfolio and each project and programme.

### **3. Financial Implications**

- 3.1 No Financial Implications

### **4. Legal implications**

- 4.1. There are no legal implications.

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

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

**Background Papers:** None

**Appendices:** Appendix A - Private Sector Contribution Report