



Key
New Issue
Resolved since last update
Ongoing Issues

SBCD Project Issue Log – July 2019

The project issue log highlights current pressing issues and risks currently or potentially have a significant or immediate affect to overall City Deal programme and/or project delivery including delays to project development, implementation or achievement of outcomes for example. The issue log should be considered alongside the wider project risk register (where available) and the SBCD programme risk register.

Skills and Talent				
Issue	Description	Owner	Implications	Action / Update
Business Case Development	Working with new Government officials on a revised approach to business planning	WG / UKG	Delay in business case / funding approval will mean that the skills training required for other projects who have received approval may not be progressed or progressed at risk.	Skills and Talent project identified as a Tranche 2 project for development at Joint Committee on 28 th March 2019.

Digital Infrastructure				
Issue	Description	Owner	Implications	Action / Update
Project management resource	Dedicated digital project manager is required. Identified project leads in each of the partner organisations is also required.	Project lead authority	Pace of delivery will be compromised without a digital project manager.	Currently no resource available.

Swansea Waterfront and Digital District				
Issue	Description	Owner	Implications	Action / Update
Funding approval	Approval of Council funding is dependent on Government sign off of City Deal business case.	SBCD / UKG / WG	Delay to approval of City Deal funding will impact on the delivery timescales for the projects	Approval in principle announced on Monday 15 th July pending terms and conditions

Yr Egin - Creative Digital Cluster				
Issue	Description	Owner	Implications	Action / Update
Funding approval	Yr Egin phase one has been completed and is fully occupied	SBCD / UKG / WG	Delay in approval of City Deal funding will increasingly impact on project delivery timetable for phase 2.	Approval in principle announced on Monday 15 th July pending terms and conditions

Centre of Excellence in Next Generation Services (CENGs)				
Issue	Description	Owner	Implications	Action / Update
Project Review	Project being reviewed by Neath Port Talbot Council	NPT Council	Project may be amended or substituted with alternative scheme	Revised proposals currently being considered by NPT Council.

Life Science and Well-being Campuses				
Issue	Description	Owner	Implications	Action / Update
None reported as at 18th July 2019				

Life Science and Well-being Village				
Issue	Description	Owner	Implications	Action / Update
Delay in phase 1 funding	Funding for phase 1 will need to be confirmed in line with procurement of a construction contractor.	Project lead	Potential delay in September 2021 'go live' date for education, skills and training components.	Chair of Joint Committee confirmed at JC meeting on 28 th March 2019 that no City Deal project is on hold following completion of reviews. Revised business case to be reviewed by ESB in July 2019.
Negative perception of project	Reputational risks owing to sustained media coverage linking to the ongoing investigation in Swansea University to the proposals for the Village.	Project lead / SBCD	Potential decline in interest by investors, service providers and general public	Proposals to rebrand Village project under development
Flood notice	Lifting of 'stop notice' in response to flood modelling	Project lead	Delay in project delivery	Stop notice lifted on Monday 8 th July 2019.

Homes as Power Stations				
Issue	Description	Owner	Implications	Action / Update
Funding approval	Funding assurance required to support match funding bids for ERDF and IHP funding	SBCD / UKG / WG	Until formal approval of City Deal business case is received project can only provide assurance in principle which may pose a risk to securing match funding	Homes as Power Stations project identified as a Tranche 2 project for development at Joint Committee on 28 th March 2019. Workshop to be held with both Governments on 25 th July 2019 to agree way forward.

Pembroke Dock Marine				
Issue	Description	Owner	Implications	Action / Update
Change in project scope	Since signing the heads of terms the project funded outputs have changed significantly to reflect the needs of industry,	JC / Project leads	If change of scope is not agreed this will have severe implications on whether the project can proceed.	Change in project scope approved by JC on 28 th March 2019.

	as detailed in separate report to JC in March 2019. Need approval to progress change in scope.			
NNDR	Clarity required on NNDR arrangements specifically how NNDR will be apportioned	Acc. Body / Project authority lead	Project viability is subject to discussions relating to NNDR	SBCD Section 151 in discussion with UK and Welsh Government. Meeting to be convened between Leaders and Chief Executives to discuss.
Project delivery timescale	Clarity required on when the five year delivery period begins	JC	Will ensure project implementation and benefits realisation timescales are accurate.	To be considered by Joint Committee.
Funding approvals / terms and conditions	Number of interdependencies relating to spend / securing of ERDF match funding which require project start date of July 2019.	SBCD / UKG / WG	If funding approvals are not received the project may miss the required start date which poses a risk to project delivery and potentially some elements not proceeding as currently planned. Until formal approval of City Deal business case is received project can only provide assurance of funding in principle which may pose a risk to match funding and/or overall project delivery.	Pembroke Dock Marine project identified as a Tranche 2 project for development at Joint Committee on 28th March 2019. PCC confirmed unable to provide borrowing for scheme. Alternative arrangements currently being explored by project leads with support of PCC.

Factory of the Future				
Issue	Description	Owner	Implications	Action / Update
Land	Project unable to reach agreement with WG to secure land site for building	Project Authority lead / WG	Until a site has been confirmed the project business case and delivery cannot progress	Project currently under review
Project Review	Project being reviewed by Neath Port Talbot Council	NPT Council	Project may be amended or substituted with alternative scheme	Revised proposals currently being considered by NPT Council.

Steel Science				
Issue	Description	Owner	Implications	Action / Update
Land	Project unable to reach agreement with WG to secure land site for building	Project Authority lead / WG	Until a site has been confirmed the project business case and delivery cannot progress	Project currently under review
Project Review	Project being reviewed by Neath Port Talbot Council	NPT Council	Project may be amended or substituted with alternative scheme	Revised proposals currently being considered by NPT Council.

Swansea Bay City Deal Programme Risk Register

**Original Assessment:-
MARCH 2018
Latest Review Date:- JULY
2019**

Summary - Immediate Risks

This summary details the risks which pose the most pressing potential challenges to delivery of the City Deal Programme. The summary provides a snapshot in time. Full details of all programme risks are detailed in the individual tabs and should be considered alongside this summary

Risk Group	Risk Description	Category	Owner	Potential Consequence	Inherent Probability	Inherent Impact	Inherent Rank	Latest Review Date	Latest Update/Control Actions	Current Probability	Current Impact	Current Rank
Developmental	Delay in approval of JCA	C6 C14	All	Unable to formally establish governance structures. Unable to draw down city deal funding. Unable to sign off project business cases. Risk of withdrawal of local authority / other partner from City Deal (see risks below)	3	5		01 Jul.19	Further to the findings and recommendations of the two SBCD reviews changes to the JCA will be required. A draft of the revised JCA will be considered by Programme Board and recommendations made to the Joint Committee in July 2019. The approved revised JCA will then need to be approved by the UK and Welsh Government. This may delay approvals of forthcoming projects.	3	2	
Implementation	Slippage in delivery of programme	C6 C14	JC	City Deal doesn't achieve the outcomes intended within the timescales agreed. Borrowing and recouperation does not accurately reflect spend	4	4		01.July.19	Both independent and internal reviews have been completed and recommendations accepted by SBCD Joint Committee. Implementation of the recommendations will require changes to existing procedures and may result in delays in programme delivery and project approvals for tranche two projects if these cannot be achieved quickly. Programme Board tasked with developing an implementation plan against the recommendations which will provide clarity on timescales, interim arrangements and potential impacts on overall programme delivery. Both Governments have confirmed that no project approvals, beyond those for Yr Egin and Digital District, will be granted until the Actica review recommendations have been implemented. A draft job description and associated revised budget for the recruitment of a Programme Director has been developed and will be discussed by Programme Board and recommendations made to Joint Committee in July 2019. Simultaneously reports will be presented to each individual Council's July meeting to identify representatives for an appointment panel. A draft of the revised JCA addressing the recommendations of both reviews will also be considered by Programme	3	3	

								Board in July. An appointments process for the recruitment of specialist advisors to the ESB is also due to be published in July 2019.			
Business case is not approved / project falls	C3 C11	RPAL / Delivery Lead	Project unable to proceed	3	5		01.July.19	Further to findings of the SBCD reviews a number of projects are currently under review and may be revised or substituted for an alternative scheme. This reflects recommendations of the SBCD reviews to increase flexibility of the programme. In addition outstanding issues around NNDR pose a significant threat to the Pembroke Dock Marine project in particular and if this continues to be unresolved the project may not be able to meet the required start date of their match funders. This may result in the project being unable to deliver certain elements as planned / at all. Control actions are as previous update.	3	4	
Change in project scope pre-business case approval	C11 C6	Delivery lead	Project no longer requires same amount of funding. Project no longer achieves the necessary outcomes required for City Deal funding. Project is not approved and therefore unable to proceed / proceed as planned.	4	4		01.July.19	Change in scope of the Pembroke Dock Marine project has been approved by Joint Committee. Further to findings of the SBCD reviews a number of other projects are currently under review and may be revised or substituted for an alternative scheme. This reflects recommendations of the SBCD reviews to increase flexibility of the programme. Any changes in scope will following the agreed review process as detailed in the JCA. Control actions are as per previous update.	5	4	
Delay in development of business plans	C11 C14	RPAL / Delivery Lead	Delay in project start. Depending on critical timescale could impact projects ability to deliver proposed outcomes. Potential knock on affect for other projects ability to deliver and achieve outcomes.	5	3		01.July.19	Two projects have been formally submitted for approval. Following a meeting of the Welsh Cities and Growth Implementation Board these business case are imminently due to be recommended to Ministers for approval in principle. A second tranche of projects for business case development was agreed by Joint Committee on 28th March 2019. Further to findings of the SBCD reviews a number of projects are currently under review and may be subject to changes which delay the development of associated business plans. Any changes in scope will following the agreed review process as detailed in the JCA. In addition currently reviewing informal review approach with UK and Welsh Government to	3	3	

								ensure this is a quicker and more effective process for all parties going forward. UK and Welsh Government are developing a proposal to test with the next tranche of projects which should reduce time required to develop business cases to an appropriate standard.			
	Delay in approval of business plans	C11	PAL / RO / JC / Govs	Delay in project start. Depending on critical timescale could impact projects ability to deliver proposed outcomes. Potential knock on affect for other projects ability to deliver and achieve outcomes.	3	4	01.July.19	Further to findings of the SBCD reviews changes are required to the processes by which business cases are approved. Whilst this will not delay approval of tranche 1 projects it could potentially have an impact on the approval of future tranches of projects.	3	3	
	Withdrawal of Local Authority Partner	C3 C6 C11	JC	Potential for projects to fall as lack of funding / borrowing available from the project lead authority. Loss of funding for regional projects and regional support structures. Potential need to reduce scale of regional projects and / or withdraw scheme from local authority area. Unable to achieve outcomes of City Deal.	3	5	01.July.19	Following findings of SBCD Reviews NPT Council will review City Deal involvement over the next six months. All partners continue to work to address recommendations of the reviews. JCA signed by each LA which clearly sets out agreed provisions for such a scenario.	3	5	
Financial	Failure to identify / secure revenue funding	C3 C6 C11 C14	Accountable Body	Four projects, including one regional project, unable to proceed.	5	5		Awaiting Update			
	Failure to agree NNDR (rates retention) flexibility	C3	Accountable Body	Local authorities unable to borrow required for projects	4	5		Awaiting Update			
	Private sector funding contribution/s not in line with initial business case projections	C3	Delivery Lead	Overall impact of the City Deal not realised. Project cannot deliver full scheme. Project is unsustainable	5	5		Awaiting Update			
	EU match funding contributions not in line with initial business case projections	C3	Delivery Lead	Overall impact of the City Deal not realised. Project cannot deliver full scheme. Project is unsustainable	5	5		Awaiting Update			
	Timeframe for end of current EU funding programmes	C3	All	Unable to deliver full funding package at both project and programme level.	3	3		Awaiting Update			
	Failure to achieve full funding package	C3	All	Project potentially unable to delivery or to deliver full scale of anticipated project outcomes	3	5		Awaiting Update			