

# Swansea Bay City Deal Project Issues Log

## Joint Committee – June 2020 – Appendix B



<b>Key</b>
<b>New Issue</b>
<b>Resolved since last update</b>
<b>Ongoing Issues</b>

The project issue log highlights pressing issues and risks which currently or potentially have a significant or immediate affect to overall City Deal programme and/or project delivery. These include 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.

<b>Skills and Talent</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>
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 which have received approval may either not be progressed or progressed at risk.	Policy days with WG/UKG Business Plan will be submitted to ESB in June 2020.
Covid-19	Potential impact on ability of education providers to deliver skills and training proposed	Project lead authority	Shortage of skilled workforce for City Deal projects	Project lead to seek clarity/assurances

<b>Digital Infrastructure</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>
Senior project representatives	Identified senior project leads required in each of the partner organisations.	Project lead authority	May not obtain the necessary awareness, understanding and commitment from regional partners without this	Project board being created with senior representation requested from each of the partner organisations and other relevant stakeholders
Business Case Development	Working with government officials on a revised approach to business planning.	WG / UKG	Delay in business case / funding approval will impact project delivery dates and timescales	WG/UK Government policy days being rearranged following delays as a result of Covid-19
Covid-19 / Economic Downturn	A number of potential risks to the project as a result of Covid-19 and the inevitable economic impact.	All partners and stakeholders	Numerous	Clarity and assurances required regarding project/deal funding.

<b>Swansea Waterfront and Digital District</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>
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	Terms and Conditions issued by WG, first £18m has been released to the Accountable Body
Covid-19	Implications of economic slowdown on construction projects.	SBCD, UK/WG, Project Lead	Project delay due to construction slowdown caused by Covid-19	Deed of variation to construction contracts and proactive approach to lettings.
Business Plan outputs	Requirement for projects to deliver outputs	SBCD, Project Lead	There could be difficulties in meeting the stated outputs due to Covid-19	Construction is maximising work on arena site but there are less workers there due to social distancing rules. Other outputs likely to be impacted are being reviewed.

<b>Yr Egin - Creative Digital Cluster</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>
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.	Terms and Conditions issued by WG. First £18m has been released to the Accountable Body

<b>Life Science and Well-being Campuses</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>
None reported	No issues for escalation at this stage	Swansea University	None at this stage	Continue to monitor project issues

<b>Life Science and Well-being Development</b>				
<b>Issue</b>	<b>Description</b>	<b>Owner</b>	<b>Implications</b>	<b>Action / Update</b>

Delay in zone 1 funding	Funding for zone 1 will need to be confirmed in line with procurement of a construction contractor.	Project lead	Potential delay to project aim of opening in line with academic term	Business case re-draft complete W/C 18th May.  Ecology work commissioned to enable contractor to commence on site Q1 2021
Negative perception of project	Reputational risks owing to sustained media coverage linking to the on-going investigation	Project lead / SBCD	Potential decline in interest by investors, service providers and general public	Project rebranding complete

#### 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 due for decision by Joint Committee in June, 2020
Funding approval	City Deal funding assurance required to appoint project team and commence project	SBCD / UKG / WG	Region needs to address decarbonisation agenda, tackle fuel poverty, and develop a regional supply chain	ESB and Programme Board endorsed project. All 4 local authorities to endorse the project prior to Joint Committee review. Project endorsed by CCC, NPTC and SCC. Pembrokeshire CC to review project on 18 <sup>th</sup> May 2020

#### Pembroke Dock Marine

Issue	Description	Owner	Implications	Action / Update
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 approved by Joint Committee in October, 2019.  Business case now with UKG and WG for final approval.
Capital/revenue split	Capital/revenue split and its affordability to PCC	Project authority lead/MHPA	Project delay	Solution to be agreed between PCC and MHPA

#### Supporting Innovation and Low Carbon Growth

Issue	Description	Owner	Implications	Action / Update
Project Review	Business Plan has been reviewed by NPT Council, ESB and City Deal governance structures	NPT Council/SBCD Regional Office	Delay to securing funding	ESB and Joint Committee approved the Business Plan in January 2020
Business demand for space	Assurance needed that there is enough demand for business space due to form part of the 'Industrial Futures' element of the programme	NPT Council	This will affect successful delivery of the programme's 'Industrial Futures' project	Evidence of demand has been supplied for consideration by ESB and JC
Funding approval	Swansea Bay Technology Centre has secured ERDF match-funding.  Contractor approved at risk pending City Deal funding assurance.	SBCD / UKG / WG	Until funding approval is received the project can only provide in principle funding assurance to WEFO.  NPTCBC to enter into contract by the end of July 2020 (two-stage design and build contract). City Deal funding assurance needs to be in place by July 2020 to enable F20 Tender Construction Acceptance to be signed and contracts to be exchanged.	Business case formally submitted to regional office in February 2020.  Awaiting feedback from UKG and WG for final approval.