

Swansea Bay City Deal

Private Sector

Investment / Contribution

Status Report



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|-------------------------|---|
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1. Executive Summary

- 1.1. This report addresses the SBCD Portfolio red risk against the achievement of private sector contribution across the portfolio. It seeks to detail what type of contribution is expected for each programme /project and when it is expected to be achieved.
- 1.2. 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).
- 1.3. 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 £625m contribution from the Private Sector by 2033.
- 1.4. The reported actual private sector expenditure in January 2023 was £20.58m across the Portfolio. In addition, a further £7.63 is forecast to be reported by end of FY 2022/23.
- 1.5. The total City Deal investment from all sources was £271.74m of which £28.03m was private sector investment at the end of the financial year 22/23.
- 1.6. Current private sector investment forecasts for the Portfolio indicate a £13m increase over the original Portfolio target. The current private sector investment target is circa £638m.
- 1.7. 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.
- 1.8. 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.
- 1.9. There is a wide acceptance and recognition that projects and programmes are experiencing slippage in business case development and delivery due to a number of 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.
- 1.10. An initial review of private sector contributions was undertaken between June and September 2022. The review found most programmes and projects were confident that they could achieve the level of private sector contribution outlined in the approved outline business cases. The process was updated in January 2023 which found that although there were still some delays, significant progress had been made in the final quarter FY 2022/23.
- 1.11. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.
- 1.12. Private sector contribution until now has been highlighted as a Portfolio red risk, due to the uncertainty and impact that it has on successful delivery of the Portfolio.
- 1.13. The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process from Q1 FY 2023/24. A template has been cascaded to all projects and programmes to capture specific information on private sector investment.
- 1.14. This report provides the private sector investment status, forecasts and supporting private sector narrative for the Portfolio and each project and programme.

The table below summarises the private sector contribution for the nine headline business cases:

| Project/ programme | Private sector status | Private sector target | Actuals (Yr 1-4) £m | Private sector forecast (£m) | | | | Forecast Total | Supporting narrative |
|----------------------------|-----------------------------|-----------------------------|---------------------------|------------------------------|--------------|-------------|---------------|-------------------|---|
| | | | | 22-23 | 23-24 | 24-25 | 25-33 | | |
| Digital Infrastructure | | 16.5 | 14.6 | 4 | 4.5 | 4.5 | 3.5 | 31.1 | Stimulating additional investment and Commercial contributions to project and partner deployments i.e SRN, Accelerating and facilitating upgrade and roll out of 4G/ 5G, UK & Welsh Gov |
| Homes as Power Stations | | 375.9 | 0 | 1.4 | 0 | 0 | 374.5 | 375.9 | RSL and Private developer build costs for new builds. Home owners and private rental sector contribution for retrofits. Match funding to grant schemes. |
| Skills and Talent | | 4 | 0 | 0.96 | 1.1 | 1.2 | 1.2 | 4.46 | Value of Apprenticeships and industry contributions for pilot projects. |
| Yr Egin | | 1.5 | 0 | 0.36 | 0.12 | 0.12 | 0.96 | 1.56 | Tenant contributions and rental income |
| Swansea Waterfront | | 39.9 | 1 | 0 | 12.72 | 20.65 | 2.51 | 36.88 | Hotel build, ATG fit out of Arena, Rental income from Kingsway |
| SILCG | | 5.5 | 0 | 0.55 | 3.3 | 1.65 | 0 | 5.5 | Match to property development fund |
| Pentre Awel | | 108.19 | 0 | 0.04 | 19.79 | 24.28 | 64.12 | 108.23 | None for Zone 1 build. Tenant commissioning and rentals going forward |
| Campuses | | 57.43 | 0 | 0 | 0 | 0 | 57.68 | 57.68 | Investor and tenant contributions, fit out and rental plus sectoral collaborations |
| PDM | | 13.9 | 3.58 | 0.3 | 13.1 | 0.5 | 0 | 17.48 | PoMH capital contribution, berthing fees, rental income |
| Total | | 622.82 | 19.18 | 7.61 | 54.63 | 52.9 | 504.47 | 638.79 | |

Table 1.1 Summary of Private Sector Contribution draw down and forecast.

2. Definitions

2.1. This report addresses the SBCD Portfolio red risk against the achievement of private sector contribution across the portfolio. It seeks to describe in more detail what type of contribution is expected for each programme and project and when it is expected to be achieved.

2.2. For clarity, the following broad definitions will apply to the potential sources and stages of contribution.

- **City Deal funding** is taken to mean that funding provided by UK Government and Welsh Government to support the City Deal **£241m**.
- **Public sector** is taken to mean those economic activities under control of central or local government and will include Universities. The public sector contribution is circa **£380m**.
- **Private Sector** is taken to mean the section of the economy under the control of individuals or companies, and which are generally focused on making profit. The sector operates independent of government control. This sector also includes the third sector comprising of not-for-profit and voluntary sector companies and organisations i.e., housing associations. The total contribution from the private sector is circa **£625m**. It is the contribution of this sector to which this report refers.
- **Contribution**. The term contribution is being used across this report because it best describes the variety of ways the private sector may interact with City Deal programmes and projects.
- **Secured**. Private sector contribution that has been formally committed to a project.
- **Expended/Defrayed**. Private sector contribution that has been spent, used, or applied to a project.

2.3. The source of private sector funding has been broken down into three broad categories.

– see section 3.

- **Investment to develop/build (Upfront investment)** i.e., match funding for project activities which refers to those project elements that require match-funding or contributions towards project activities i.e., pilot projects, investment funds, supply chain development etc.
- **Operational income (ROI)** refers to those projects reliant on occupation of infrastructure post build: tenancy, collaborative/ partnership agreements, facility fit out and rental income.
- **Leveraged private sector contribution (ROI)** i.e., Stimulating additional investment and commercial contributions refers to those project activities which encourage further investment activity ie where City Deal funding is acting as a catalyst for future investment and developments.

3. Situation Appraisal

3.1. 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.

3.2. Private sector contribution until now has been highlighted as a Portfolio red risk, due to the uncertainty and impact that it has on successful delivery of the Portfolio. However, progress of note includes:

- The Digital Infrastructure programme reporting a £14.5m return on investment.
- The PDM project has secured £13.9m from Milford Haven Port Authority.
- The Skills and Talent Initiative has secured £0.96m private sector contribution from 77 Apprenticeships, with a minimum value of £0.54m and 9 approved pilot projects with a projected £0.4m of in-kind and circa £0.04m of financial contributions.
- Swansea Waterfront demonstrating a £1m contribution from ATG for the Swansea Arena.
- HAPS: circa £1.4m private sector costs for 187 new build homes and 6 retrofits

3.3. The SBCD Programme and Project teams remain confident that the private sector contribution to the SBCD remains viable and achievable over the portfolio duration.

3.4. More detailed financial tables are included in **Section 4** which show the overall forecast, budget and variance for programme and project delivery.

3.5 As a general indication across the three categories of investment described in section 2, the source of private sector contribution can be demonstrated as shown in the following chart.

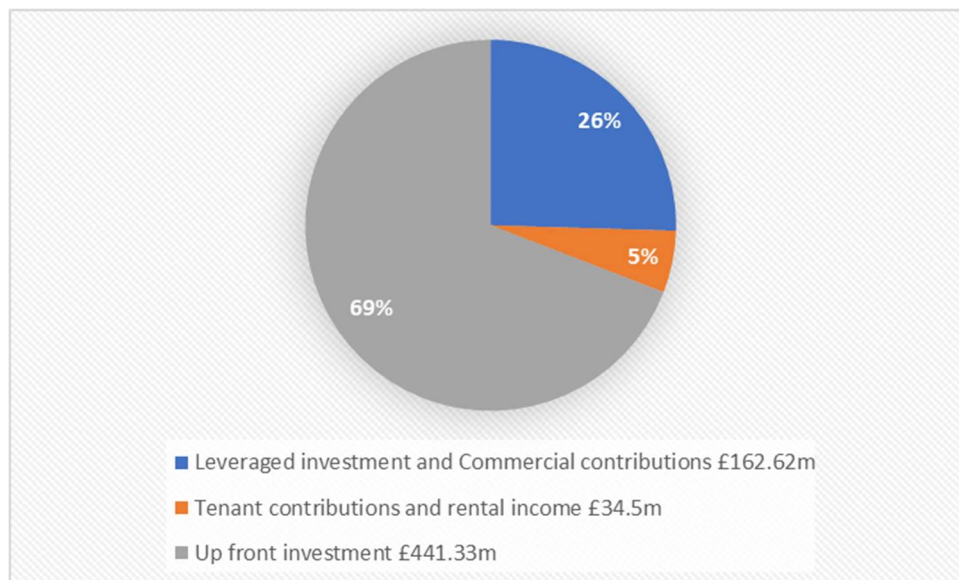


Chart 3.1. Portfolio Private Sector contributions (value and %)

3.6 Chart 3.1 illustrates the £441m of up-front investment required; this figure includes:

| Programme & Project | Upfront investment |
|-------------------------|--------------------|
| Digital Infrastructure | 31.1 |
| Homes as Power Stations | 375.9 |
| Skills and Talent | 4.46 |
| Swansea Waterfront | 6.88 |
| SILCG | 5.5 |
| PDM | 17.49 |

3.7 An initial review of private sector contributions was undertaken between June and September 2022. The review found most programmes and projects remained reasonably confident that they could achieve the level of private sector contribution outlined in the approved outline business cases. The process was updated in January 2023 which found that although there were still some delays, significant progress had been made in the final quarter FY 2022/23.

3.8. The overall estimated investment position is demonstrated at £1.239bn over the fifteen-year life of the portfolio. The revised budget (as outlined within programme/project business cases) comprised of a total investment of £1.241b, currently the City Deal is presenting a small underinvestment of £2m against the revised budget.

3.9. Over the life span of the portfolio the private sector engagement is expected to increase and develop as projects establish themselves and move into completion. A timeline of the revised budget is demonstrated within the Finance Case of the Portfolio Business Case, the private sector investment is not expected to accelerate until year 7 when further programmes and projects become operational.

3.10. The level and nature of contributions achieved and expected are now included as part of the PoMO Quarterly monitoring process from Q1 FY 2023/24. A template has been cascaded to all projects and programmes to capture specific information on private sector investment. See project breakdowns in **Section 5**.

3.11. 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.

3.12 The following financial forecasts are subject to a FY 2023/24 Q1 reprofile exercise. The tables illustrate the shift in position from FY 2021/22 to FY 2022/23.

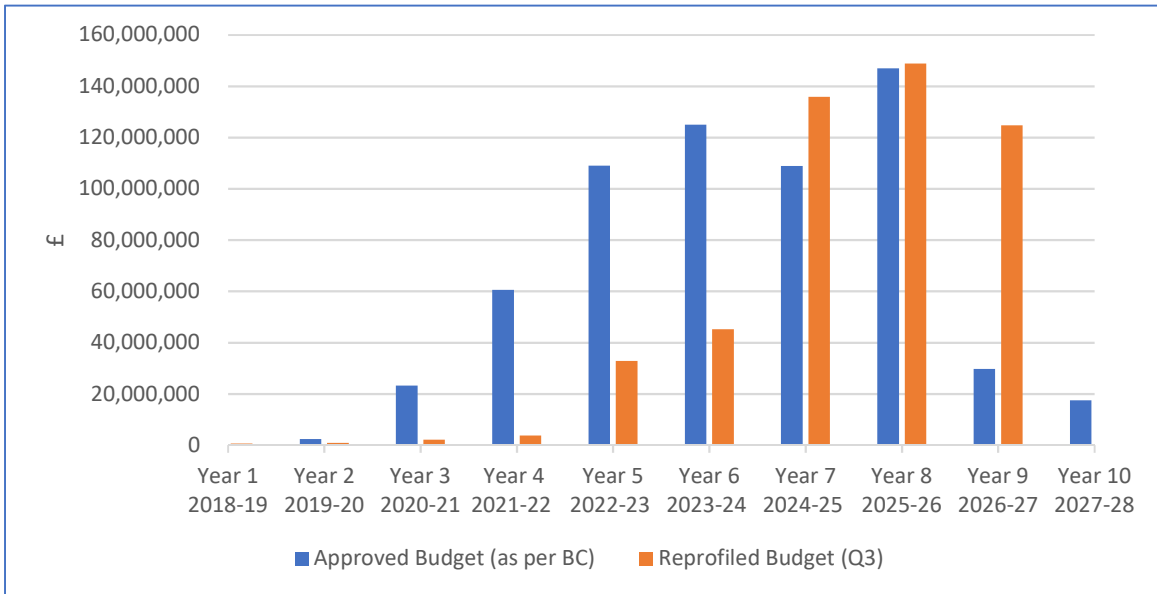


Chart 3.2 Budget vs Forecast 2021/22.

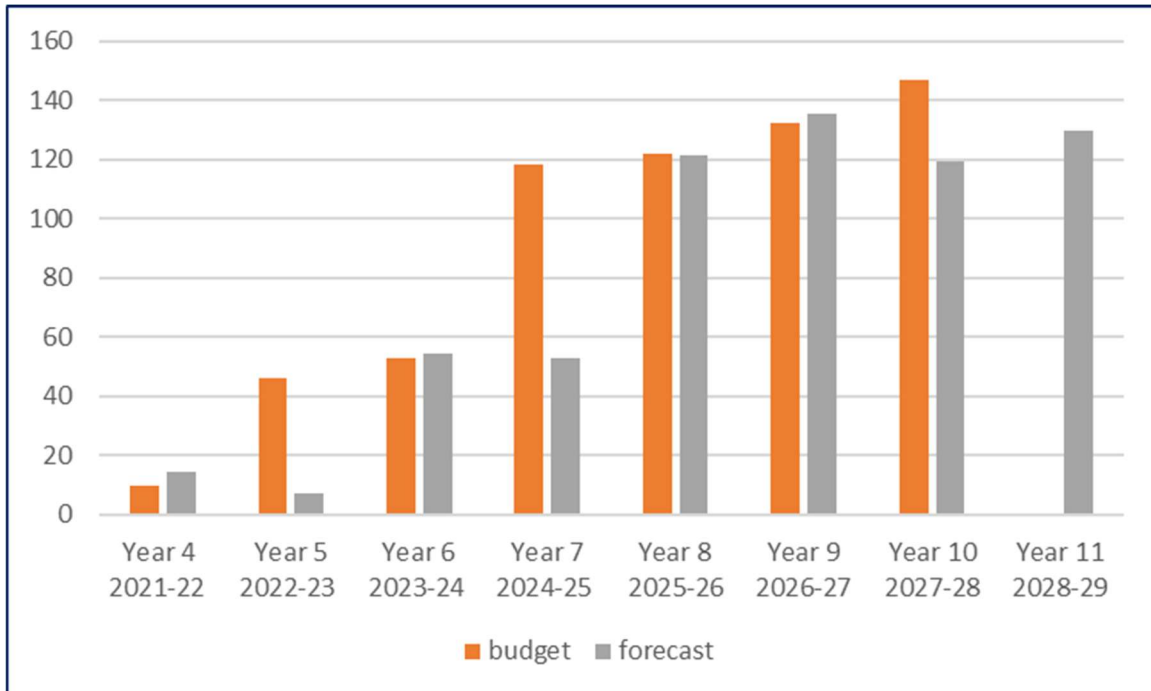


Chart 3.3 Budget vs Forecast 2023 onwards £m.

4. Programme/Project Forecast Summary

| Programme/Project | Target Investment £m | Cumulative Actuals (20th Mar 2017 to 31st Mar 2021) Yr 1-3 (£m) | Actual | Actual / Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Total |
|---|----------------------|--|--------------|-------------------|--------------|--------------|---------------|---------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|---------------|
| | | | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | | |
| | | | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | | |
| Digital Infrastructure | 16.5 | - | 14.60 | 4.00 | 4.50 | 4.50 | 3.50 | - | - | - | - | - | - | - | - | 31.10 |
| Homes as Power Stations | 375.9 | - | - | 1.40 | - | - | 69.35 | 73.05 | 102.60 | 129.50 | - | - | - | - | - | 375.90 |
| Skills & Talent | 4 | - | - | 0.96 | 1.10 | 1.20 | 1.20 | - | - | - | - | - | - | - | - | 4.46 |
| LS&WB Campuses | 57.4 | - | - | - | - | - | 12.25 | 28.72 | 16.46 | - | - | - | - | - | - | 57.43 |
| Pembroke Dock Marine | 13.9 | - | 3.58 | 0.30 | 13.10 | 0.50 | - | - | - | - | - | - | - | - | - | 17.48 |
| Pentre Awel | 108.19 | - | - | 0.04 | 19.79 | 24.28 | 33.42 | 30.70 | - | - | - | - | - | - | - | 108.23 |
| Supporting Innovation and Low Carbon Growth | 5.5 | - | - | 0.55 | 3.30 | 1.65 | - | - | - | - | - | - | - | - | - | 5.50 |
| Swansea Waterfront | 39.9 | - | 1.00 | - | 12.72 | 20.65 | 0.26 | 0.30 | 0.30 | 0.30 | 0.33 | 0.34 | 0.34 | 0.34 | 0.34 | 36.88 |
| Yr Egin | 1.5 | 0.36 | - | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 1.68 |
| Grand Total | 623 | 0.36 | 19.18 | 7.37 | 54.63 | 52.90 | 120.10 | 132.89 | 119.48 | 129.92 | 0.45 | 0.46 | 0.46 | 0.46 | 0.46 | 638.66 |

Budget

| Programme/Project | Target Investment £m | Cumulative Actuals (20th Mar 2017 to 31st Mar 2021) Yr 1-3 (£m) | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Total |
|---|----------------------|--|-------------|--------------|--------------|---------------|---------------|---------------|---------------|----------|----------|----------|----------|----------|----------|---------------|
| | | | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | | |
| | | | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | | |
| Digital Infrastructure | - | - | - | 4.50 | 5.50 | 5.50 | 1.00 | - | - | - | - | - | - | - | - | 16.50 |
| Homes as Power Stations | - | - | - | - | - | 70.75 | 73.05 | 102.60 | 129.50 | - | - | - | - | - | - | 375.90 |
| Skills & Talent | - | - | 0.25 | 0.50 | 1.00 | 1.25 | 1.00 | - | - | - | - | - | - | - | - | 4.00 |
| LS&WB Campuses | - | - | - | - | - | - | 12.25 | 28.72 | 16.47 | - | - | - | - | - | - | 57.44 |
| Pembroke Dock Marine | - | - | 7.24 | 6.78 | 4.67 | 1.09 | - | - | - | - | - | - | - | - | - | 19.78 |
| Pentre Awel | - | - | - | 19.79 | 24.28 | 33.42 | 30.70 | - | - | - | - | - | - | - | - | 108.19 |
| Supporting Innovation and Low Carbon Growth | - | - | - | 1.22 | 1.83 | 2.44 | - | - | - | - | - | - | - | - | - | 5.49 |
| Swansea Waterfront | - | - | 2.49 | 13.25 | 14.00 | 4.04 | 4.13 | 1.00 | 1.00 | - | - | - | - | - | - | 39.91 |
| Yr Egin | - | - | - | - | 1.50 | - | - | - | - | - | - | - | - | - | - | 1.50 |
| Grand Total | - | - | 9.98 | 46.04 | 52.78 | 118.49 | 122.13 | 132.32 | 146.97 | - | - | - | - | - | - | 628.71 |

Variance

| Programme/Project | Target Investment £m | gross variance Yr 1-3 (£m) | Actual | Actual / Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Total | | | | | | | | | | | | | |
|---|----------------------|-------------------------------|-------------|-------------------|-------------|--------------|----------|-------------|--------------|-------------|----------|-------------|--------------|----------|---------------|----------|-------------|----------|-------------|----------|-------------|----------|-------------|----------|-------------|----------|-------------|----------|-------------|
| | | | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | | | | | | | | | | | | | | | |
| | | | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | | | | | | | | | | | | | | | |
| Digital Infrastructure | 16.5 | - | 14.60 | - | 14.60 | 0.50 | 1.00 | - | 2.50 | - | - | - | - | - | - | 29.20 | | | | | | | | | | | | | |
| Homes as Power Stations | 375.9 | - | - | - | 1.40 | - | 70.75 | 3.70 | 29.55 | 26.90 | - | 129.50 | - | - | - | - | | | | | | | | | | | | | |
| Skills & Talent | 4 | - | 0.46 | 0.25 | - | 0.46 | 0.10 | 0.05 | - | 0.20 | - | - | - | - | - | 0.92 | | | | | | | | | | | | | |
| LS&WB Campuses | 57.4 | - | 0.01 | - | - | - | - | - | - | 0.01 | - | - | - | - | - | 0.02 | | | | | | | | | | | | | |
| Pembroke Dock Marine | 13.9 | - | 2.30 | 3.66 | 6.48 | - | 8.43 | 0.59 | - | - | - | - | - | - | - | 4.60 | | | | | | | | | | | | | |
| Pentre Awel | 108.19 | - | 0.03 | - | 19.76 | 4.49 | 9.14 | - | 2.72 | - | 30.70 | - | - | - | - | 0.07 | | | | | | | | | | | | | |
| Supporting Innovation and Low Carbon Growth | 5.5 | - | 0.01 | - | 0.67 | - | 1.47 | 0.79 | - | - | - | - | - | - | - | 0.02 | | | | | | | | | | | | | |
| Swansea Waterfront | 39.9 | - | 3.03 | 1.49 | 13.25 | 1.28 | - | 16.61 | 3.87 | 0.70 | 0.70 | - | 0.30 | - | 0.33 | - | 0.34 | - | 0.34 | - | 0.34 | - | 0.34 | - | 0.34 | - | 6.06 | | |
| Yr Egin | 1.5 | - | 0.18 | - | - | 0.12 | 1.38 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.12 | - | 0.00 | | |
| Grand Total | 623 | - | 9.95 | - | 9.20 | 38.68 | - | 1.85 | 65.59 | 2.03 | - | 0.57 | 27.49 | - | 129.92 | - | 0.45 | - | 0.46 | - | 0.46 | - | 0.46 | - | 0.46 | - | 0.46 | - | 9.59 |

5. Project Breakdowns

| | | | |
|--------------------------|-------------------------------|-------------------------|--------------------|
| Programme/Project | DIGITAL INFRASTRUCTURE | Reporting period | Jan-23 (Q4) |
|--------------------------|-------------------------------|-------------------------|--------------------|

| | |
|--|---------------|
| Total estimated private sector investment | £16.5m |
|--|---------------|

| | |
|-------------------|--------------|
| RAG status | Green |
|-------------------|--------------|

| | |
|---------------------------------|--|
| RAG explanation | The programme has assessed private sector investment for the first year of delivery (2021 – 22) which has significantly exceeded the target for the year, it is anticipated that the remaining private sector contribution will have been achieved in 2022 – 23. This private sector investment has been secured through infrastructure deployments that the region and partners have lobbied for, stimulated, supported, and facilitated. |
| Changes from last period | N/A. First reporting period. Due to the timeframe for deployment, we will provide an annual update on both private and public sector investment. |

Actual private sector investment to date

| | |
|---|--|
| Private sector investment secured to date (£) | £14,555,172.40 – Private sector investment excluding Virgin Media Whilst the region benefitted from an additional investment of £7,252,000.00 from Virgin Media’s network upgrade. Neither we, our regional or national partners contributed to this work and therefore we have excluded it from our programme investment figures. Virgin Media began a UK-wide programme to upgrade their network, this will be fully completed by the end of 2028. This was essentially a software-based upgrade and therefore should have a margin cost close to zero, given Virgin Media's network size. However, some estimates of a per premise upgrade delivery cost range between £50 and £100. Farrpoint were commissioned to quantify both public and private sector investment in digital infrastructure across the region in 2021 - 22. Full details are in their report. Total private sector investment in digital infrastructure across the region for 2021 – 22 including Virgin Media was £21,807,172.40. |
| Detail each investment source and type of investment | Virgin Media - £7,252,000.00 Other infrastructure suppliers - Rural - £11,698,223.04 Other infrastructure suppliers - Urban - £2,856,949.36 |
| On target Y/N | Y |

Financial forecast for private sector investment


| Private Investment Component (£m) | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 31-32 | 32-33 | Total |
| Connected Places | | 2.50 | 2.50 | 2.50 | | | | | 7.50 |
| Rural Connectivity | 1.00 | 1.00 | 1.00 | 1.00 | | | | | 4.00 |
| Next Gen Wireless | 3.00 | 1.00 | 1.00 | | | | | | 5.00 |
| | | | | | | | | | 0.00 |
| Total Investment Forecast (£m) | 4.00 | 4.50 | 4.50 | 3.50 | 0.00 | 0.00 | 0.00 | 0.00 | 16.50 |

Forecasted Rationale**[Details for anticipated private sector investment by type, value (£), stage and source]**

| Type | Detail | Value | Source | Stage |
|-----------------------|---|---------------------------|--|----------|
| Capital build | Farrpoint report and investment modelling spreadsheet. | £14,555,172.40 | Infrastructure suppliers excluding Virgin Media | Complete |
| Building fit out | n/a | | | |
| Rental/tenancy | n/a | | | |
| R&D | n/a | | | |
| Match funding | n/a | | | |
| Collaboration | Public sector partners, programmes and projects will work with the private sector to leverage investment into the region. Industry has invested on top of this, which has resulted in accelerated deployment across the region. | Contributing to the above | SBCD partners Welsh Government UK Government (DCMS and BDUK) DIPMO Suppliers – Openreach, OGI, Dyfed IT (Voneus), Broadway, WeFibre, Dragon Wi-fi. | Complete |
| Equipment | n/a | | | |
| In-kind contributions | n/a | | | |
| Skills development | n/a | | | |
| Other | | | | |

| | | | |
|--------------------------|-------------------------------------|-------------------------|-----------------|
| Programme/Project | SKILLS AND TALENT INITIATIVE | Reporting period | April 23 |
|--------------------------|-------------------------------------|-------------------------|-----------------|

| | |
|--|------------|
| Total estimated private sector investment | £4m |
|--|------------|

| | | |
|--|--|---|
| RAG status | Green |  |
| RAG explanation | Skills and Talent private investment comes directly from Apprentices recruited throughout the City Deal Programme, specifically their wage amounts. Additionally, nine pilot projects have been approved to date with £390,300 of in-kind and £35,000.00 of cash contributions already committed. Progress will be reported via quarterly claims. This element is added value private investment. Target against profile achieved. | |
| Changes from last period Sept 22 (Q2) | Apprentices' wages and Approved Pilot Project target amounts. | |

| | |
|---|---|
| Actual private sector investment to date | |
| Private sector investment secured to date (£) | £536,764.80 |
| Detail each investment source and type of investment | Apprentice wages across 8 city deal projects. |
| On target Y/N | Y |

| | | | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Financial forecast for private sector investment | | | | | | | | | | | | |
| Private Investment Component (£m) | | | | | | | | | | | | |
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
| | 0.50 | 1.10 | 1.20 | 1.20 | | | | | | | | 4 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| Total Investment Forecast (£m) | 0.50 | 1.10 | 1.20 | 1.20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |

| | | | | |
|---|--|--------------------|---|---|
| Forecasted rationale | | | | |
| [Details for anticipated private sector investment by type, value (£), stage and source] | | | | |
| Type | Detail | Value | Source | Stage |
| Capital build | | | | |
| Building fit out | | | | |
| Rental/tenancy | | | | |
| R&D | | | | |
| Match funding | Towards Pilot projects. The total Private match funding will not be realised until completion of Pilots (2 years) throughout the lifespan of the Programme. This element of Private investment is value added, and will be expected to increase as each new project application is approved. Actual investment will be reported as Pilots go through their quarterly claims process. | Currently £425,300 | Private sector in kind and cash match funding | 9 pilots approved. With more in the pipeline. |
| Collaboration | | | | |

| | | | | |
|------------------------------|--|------|----------------|--------------|
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | Apprentices Recruited Wages. With current investment for 77 apprentices already confirmed, the target of £4m over 3,000 apprentices should be exceeded | £4 m | Private Sector | 77 confirmed |

| | | | |
|--------------------------|---------------------------------------|-------------------------|----------------------|
| Programme/Project | HOMES AS POWER STATIONS (HAPS) | Reporting period | March 23 (Q4) |
|--------------------------|---------------------------------------|-------------------------|----------------------|

| | |
|--|----------------|
| Total estimated private sector investment | £375.9m |
|--|----------------|

| | |
|-------------------|--------------|
| RAG status | Green |
|-------------------|--------------|

| | |
|------------------------|--|
| RAG explanation | Programme in early stages of deployment and exact breakdown and expected value of contribution across the various project activities has yet to be determined. Not due to report until 2025/26 so currently confident of achieving full contribution |
|------------------------|--|

| | |
|--|------|
| Changes from Last period Sept 22 (Q2) | None |
|--|------|

Actual private sector investment to date

| | |
|--|------------|
| Private sector investment secured to date (£) | £1,399,487 |
|--|------------|

| | |
|---|---|
| Detail each investment source and type of investment | Private sector developer build costs for new build developments and retrofits |
|---|---|

| | |
|----------------------|---|
| On target Y/N | Y |
|----------------------|---|

Financial forecast for private sector investment

| Private Investment Component (£m) | | | | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|--------|--------|-------|-------|-------|-------|--------|
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
| | 1.4 | | | 69.35 | 73.05 | 102.60 | 129.50 | | | | | 375.90 |
| | | | | | | | | | | | | 0.00 |
| | | | | | | | | | | | | 0.00 |
| Total Investment Forecast (£m) | 1.40 | 0.00 | 0.00 | 69.35 | 73.05 | 102.60 | 129.50 | 0.00 | 0.00 | 0.00 | 0.00 | 375.90 |

Forecasted rationale [Details for anticipated private sector investment by type, value (£), stage and source]

| Type | Detail | Value | Source | Stage |
|------------------------------|---|----------------|---|-------------------------|
| Capital build | Private sector developer build costs for new build developments and Private sector finance. Cost of construction minus public grants and any CD contribution | Tbc | Linked to individual scheme funding packages and RSL borrowing costs. | Early analysis underway |
| Building fit out | Private sector contribution to retrofits Cost of retrofit minus public grants and any CD contribution | Tbc | Home owners, private rental sector | Early analysis underway |
| Match funding | Financial Incentive Fund | £5.75m minimum | £5.75m catalyst fund to add value to ORP, IHP, FLEX fund | Launch Q2/3 2023 |
| | Supply chain development (direct leverage) - supporting approx. 50% capital costs and will secure at least 50% private sector investment. | £7m minimum | Private sector | Launch Q3/4 2023 |
| Rental/tenancy | | | | |
| R&D | | | | |
| Collaboration | | | | |
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | | | | |

| | | | |
|--------------------------|--------------------------|-------------------------|--------------------|
| Programme/Project | YR EGIN 1 & 2 | Reporting period | Jan 23 (Q4) |
|--------------------------|--------------------------|-------------------------|--------------------|

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|--|--------------------------|
| Total estimated private sector investment | YE 1 & 2 £1.5 |
|--|--------------------------|

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|-------------------|--------------|
| RAG status | Green |
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|---|--|
| RAG explanation | Yr Egin 1 is operational with anchor tenant and other tenants secured bringing in rental. Yr Egin 2 is currently undergoing a change control process. |
| Changes since last period Sept 22 (Q2) | No changes to private sector investment since last quarter. Yr Egin 1 rentals now reported. |

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| Actual private sector investment to date |
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|---|---|
| Private sector investment secured to date (£) | £0.36M |
| Detail each investment source and type of investment | Tenant rental and service charge income |
| On target Y/N | Yes |

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| Financial forecast for private sector investment |
|---|

| Private Investment Component (£m) | | | | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
| Yr Egin 1 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 1.32 |
| Yr Egin 2 (tbc) | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| Total Investment Forecast (£m) | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12 | 1.32 |

TBC

| |
|---|
| Forecasted rationale [Details for anticipated private sector investment by type, value (£), stage and source] |
|---|

| Type | Detail | Value | Source | Stage |
|------------------------------|--|------------------|---------------------------------|------------------------------|
| Capital build | | | | |
| Building fit out | Tenant contributions | TBC | Private sector | For remaining period to 2033 |
| Rental/tenancy | Rental and service charge income | £1.68M | UWTSD Financial Reporting | Ongoing |
| R&D | | | | |
| Match funding | | | | |
| Collaboration | | | | |
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | Economic impact in Carmarthenshire of S4C location in Egin 1 | £18.2M per annum | S4C report and accounts 2021/22 | Ongoing |

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|--------------------------|---------------------------|-------------------------|--------------------|
| Programme/Project | SWANSEA WATERFRONT | Reporting period | Jan 23 (Q4) |
|--------------------------|---------------------------|-------------------------|--------------------|

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| Total estimated private sector investment | £39.9m |
|--|---------------|

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| RAG status | Amber |
| RAG explanation | Arena: In delivery, ATG appointed as managers. Kingsway: Contractor in place, leasing/marketing agents appointed. Hotel: Developer appointed, agreements under negotiation however may not achieve full £19m from private sector. Innovation Matrix: Commenced on site Innovation Precinct: Ongoing discussions with private sector developer, centered around Innovation Precinct Change Control Process |
| Changes from past period Sept 22 (Q2) | Innovation Matrix commenced on site. IP Change Control Process drafted and in discussion with SBCD. Private sector engagement begun but very early and preliminary discussions at this time. |

| | |
|---|-------------------------------------|
| Actual private sector investment to date | |
| Private sector investment secured to date (£) | £1m |
| Detail each investment source and type of investment | ATG for Arena fit out |
| On target Y/N | N - Forecast investment down by £3m |

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|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Financial forecast for private sector investment | | | | | | | | | | | | |
| Private Investment Component (£m) | | | | | | | | | | | | |
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
| Arena | 1.00 | | | | | | | | | | | 1.00 |
| Hotel | | 10.00 | 9.00 | | | | | | | | | 19.00 |
| Kingsway | | 2.50 | 2.50 | | | | | | | | | 5.00 |
| Innov. Matrix | | 0.22 | 0.25 | 0.26 | 0.3 | 0.3 | 0.3 | 0.33 | 0.34 | 0.34 | 0.34 | 2.98 |
| Innov. Precinct | | | 8.90 | | | | | | | | | 8.90 |
| Total Investment Forecast (£m) | 1.00 | 12.72 | 20.65 | 0.26 | 0.30 | 0.30 | 0.30 | 0.33 | 0.34 | 0.34 | 0.34 | 36.88 |

| | | | | |
|---|---------------------|--------------|----------------|-------------------------|
| Forecasted rationale | | | | |
| [Details for anticipated private sector investment by type, value (£), stage and source] | | | | |
| Type | Detail | Value | Source | Stage |
| Capital build | Hotel | £19m | Private sector | |
| Building fit out | ATG fit out | £1m | Private sector | |
| Rental/tenancy | Kingsway | £5m | Private sector | |
| | Innovation Matrix | £3m | Private sector | |
| R&D | | | | |
| Match funding | Innovation Precinct | £8.9m | Private sector | Preliminary discussions |
| Collaboration | | | | |
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | | | | |

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|--------------------------|--|-------------------------|--------------------|
| Programme/Project | SUPPORTING INNOVATION AND LOW CARBON GROWTH | Reporting period | Jan 23 (Q4) |
|--------------------------|--|-------------------------|--------------------|

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| Total estimated private sector investment | £5.5m |
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| RAG status | Green |
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| RAG explanation | The property development fund first round has closed and the fund is currently oversubscribed. |
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| Changes from last period Sept 22 (Q2) | |
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|---|
| Actual private sector investment to date |
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| | |
|--|---|
| Private sector investment secured to date (£) | 0 |
|--|---|

| | |
|---|--|
| Detail each investment source and type of investment | |
|---|--|

| | |
|----------------------|---|
| On target Y/N | N – forecasted implementation delayed by 1 year |
|----------------------|---|

| |
|--|
| Private Investment Component (£m) |
|--|

| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Property Dev Fund | 0.55 | 3.30 | 1.65 | | | | | | | | | 5.50 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| | | | | | | | | | | | | 0 |
| Total Investment Forecast (£m) | 0.55 | 3.30 | 1.65 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.50 |

| |
|-----------------------------|
| Forecasted rationale |
|-----------------------------|

[Details for anticipated private sector investment by type, value (£), stage and source]

| Type | Detail | Value | Source | Stage |
|------------------------------|--|--------------|----------------|--|
| Capital build | | | | |
| Building fit out | | | | |
| Rental/tenancy | | | | |
| R&D | | | | |
| Match funding | Property development fund applications | £5.5m | Private sector | Applications closed and under assessment |
| Collaboration | | | | |
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | | | | |

| | | | |
|--------------------------|--------------------|-------------------------|--------------------|
| Programme/Project | PENTRE AWEL | Reporting period | Jan 23 (Q4) |
|--------------------------|--------------------|-------------------------|--------------------|

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|--|----------------|
| Total estimated private sector investment | £108,19 |
|--|----------------|

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|-------------------|--------------------|
| RAG status | Green/Amber |
|-------------------|--------------------|

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|--|---|
| RAG explanation | Direct private investment not required for Zone 1. Private investment will be required for subsequent zones as detailed in forecast below. PMO reasonably confident that this will be achieved due to advanced nature of discussions and market demand. Forecast below indicates appx. achievement timeline |
| Changes from last period Sept 22 (Q2) | In parallel with construction of zone 1, pilot projects have been delivered which have attracted some early private sector contributions as detailed below. |

| | |
|---|---|
| Actual private sector investment to date | |
| Private sector investment secured to date (£) | Circa £35k from pilot project activity |
| Detail each investment source and type of investment | Oxygen Pilot – approx. £25k Environmental pilot – approx. £10k |
| On target Y/N | Yes |

| | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Financial forecast for private sector investment | | | | | | | |
| Private Investment Component (£m) | | | | | | | |
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 32-33 | Total |
| | | 19.79 | 24.28 | 33.42 | 30.70 | | 108.19 |
| Life Science BC | | | | | | | 0.00 |
| Care and resi rehab Unit | | | | | | | 0.00 |
| Assisted living | | | | | | | 0.00 |
| Hotel | | | | | | | |
| Open Market resi | | | | | | | 0.00 |
| Social Hsng | | | | | | | |
| Total Investment Forecast (£m) | 0.00 | 19.79 | 24.28 | 33.42 | 30.70 | 0.00 | 108.19 |

| | | | | |
|---|---|--------------|---------------------|-------------------------|
| Forecasted rationale | | | | |
| [Details for anticipated private sector investment by type, value (£), stage and source] | | | | |
| Type | Detail | Value | Source | Stage |
| Capital build (Latter phase development) | Expansion Life Science Business Centre | £25.6m | Private | |
| | Nursing Care and Residential Rehab Unit | £19m | CCC / ICF / Private | Proportion CCC/private? |
| | Assisted Living (inc. extra care facility and individual dwellings) | £27.5 | Private | |
| | Wellness Hotel | £16.9m | Private | |
| | Open market residential | £12.7m | Private | |
| | Affordable/Social housing | £6.5m | Private | |
| Building fit out | Commissioning | tbc | Private sector | |
| Rental/tenancy | Rentals | tbc | Private sector | |
| R&D | | | | |
| Match funding | | | | |
| Collaboration | | | | |

| | | | | |
|------------------------------|--------------|-----|--|--|
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | Student fees | TBC | | |

| | | | |
|--------------------------|-----------------|-------------------------|--------------------|
| Programme/Project | CAMPUSES | Reporting period | Jan 23 (Q4) |
|--------------------------|-----------------|-------------------------|--------------------|

| | |
|--|---------------|
| Total estimated private sector investment | £57.4m |
|--|---------------|

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|-------------------|------------|
| RAG status | Red |
|-------------------|------------|

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|------------------------|--|
| RAG explanation | Challenging to advance conversations towards conclusion when funding agreement is still not in place |
|------------------------|--|

Actual private sector investment to date

| | |
|---|---|
| Private sector investment secured to date (£) | 0 |
| Detail each investment source and type of investment | |
| On target Y/N | |

Forecasted rationale

| Financial forecast for private sector investment | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Private Investment Component (£m) | | | | | | | | | |
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 32-33 | Total |
| Swansea Bay Sports Park | | | | 7.02 | 16.47 | 9.44 | | | 32.93 |
| Morrison Life Science Park | | | | 5.23 | 12.25 | 7.02 | | | 24.50 |
| | | | | | | | | | 0.00 |
| | | | | | | | | | 0.00 |
| | | | | | | | | | 0.00 |
| Total Investment Forecast (£m) | 0 | 0 | 0 | 12.25 | 28.72 | 16.46 | 0.00 | 0.00 | 57.43 |

[Details for anticipated private sector investment by type, value (£), stage and source]

| Type | Detail | Value | Source | Stage |
|---|---|--------------|--|--------------------|
| Capital build Swansea Bay Sports Park | Development Partnerships | £32,931,147 | Commercial partnerships, Sports Governing Bodies and Professional Teams, Tenants in incubation space, Students, VC Funds and investment partners | Engagement ongoing |
| Capital Build Morrison Life Science Park | Health Care providers and Private Companies | £24,500,853 | Various private sector partners, tenants in incubation space | Engagement ongoing |

| | | | |
|--------------------------|-----------------------------|-------------------------|--------------------|
| Programme/Project | PEMBROKE DOCK MARINE | Reporting period | Jan 23 (Q4) |
|--------------------------|-----------------------------|-------------------------|--------------------|

| | |
|--|---------------|
| Total estimated private sector investment | £13.9m |
|--|---------------|

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|--|---|
| RAG status | Green |
| RAG explanation | PDI: The project has already reported 3.58m contribution and the board of the Trust Port of Milford Haven has approved the capex investment of £13.9m META: 3 berthing agreements signed over the last year. Expecting 3 – 4 berth agreements for short term marine energy testing per year. |
| Changes from last period Sept 22 (Q2) | Template updated to reflect earlier contributions |

| | |
|---|--|
| Actual private sector investment to date | |
| Private sector investment secured to date (£) | £17.48m |
| Detail each investment source and type of investment | The Board of the Trust Port of Milford Haven has approved the capex investment of £13.9m |
| On target Y/N | y |

| Financial forecast for private sector investments | | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Private Investment Component (£m) | | | | | | | | | | | | |
| Financial Year | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | 31-32 | 32-33 | Total |
| PDI | 0.3 | 13.1 | 0.5 | | | | | | | | | 13.9 |
| MEECE | | | | | | | | | | | | |
| PDZ | | | | | | | | | | | | |
| META | | | | | | | | | | | | |
| Total Investment Forecast (£m) | 0.3 | 13.1 | 0.5 | | | | | | | | | 13.9 |

| Forecasted rationale | | | | |
|---|--|---------|-----------------|------------|
| [Details for anticipated private sector investment by type, value (£), stage and source] | | | | |
| Type | Detail | Value | Source | Stage |
| Capital build | PoMH Cap ex | £13.9m | PoMH | committed |
| Building fit out | | | | |
| Rental/tenancy | Berthing Fees (operating income rather than private sector investment) | £ 550 K | META site users | Ongoing |
| | Rental and fees slipways, laydown, hangars, and offices | TBC | PoMH /private | Early neg. |
| R&D | | | | |
| Match funding | | | | |
| Collaboration | | | | |
| Equipment | | | | |
| In-kind contributions | | | | |
| Skills development | | | | |
| Other | Local spend by users of META sites (boat charter, local services, accommodation for staff, etc.) | £ 250K | META site users | Ongoing |