



Appendix A

OGC Gateway™ Review 0: Strategic assessment

Portfolio Title:	Swansea Bay City Deal
IAH ID number:	AH/23/026

Version number:	V1.0 FINAL
Senior Responsible Owner (SRO):	Wendy Walters
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Department/Organisation of the Programme	Swansea Bay City Region
Review dates:	17/07/2023 to 19/07/2023
Review Team Leader:	David Wilkin
Review Team Members:	Mark Martin Fiona Brennan
Previous Review:	Gateway 0 20/07/2022 to 22/07/2022 Delivery Confidence Assessment – Amber/Green
Security Classification:	Official

This assurance review was arranged and managed by:

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1.0 Delivery Confidence Assessment (DCA)

Delivery Confidence Assessment:	Amber/Green
<p>The Review Team finds that the Swansea Bay City Deal Portfolio is making good progress under the leadership of a strong SRO and Portfolio Director. The Portfolio Management Office (PoMO) is well established, and it maintains the focus on the strategic intent.</p> <p>Some Programmes and Projects are well underway, and others are delayed. This is not unusual and ought to be expected in the challenging fiscal environment. Nonetheless, the Portfolio continues to exercise good disciplines and work well with the individual SROs across the multiple partners in a quest to capitalise on the opportunities SBCD presents to the region.</p> <p>The Portfolio is a long-term investment, with funding over several years, and there will be a lag before benefits are realised. That said, there is a need to keep all parts of the Portfolio strategically relevant in enabling, contributing to, or delivering directly the Outcomes and Benefits intended.</p> <p>The Review Team observes opportunities to strengthen further, in relation to:</p> <ul style="list-style-type: none">• Benefits Management;• Communications regarding Strategic Intent;• Governance refresh; and• Dependencies and Opportunities: particularly Private Sector investment. <p>In summary, the Portfolio is in good shape and indications are that successful delivery appears probable. Constant attention should be maintained, however, to ensure that risks to not materialise into issues threatening delivery (of the Projects and Programmes) or the achievement of the strategic intent (of the Portfolio).</p> <p>It should be noted that the Delivery Confidence Assessment does not imply that all programmes and projects within the portfolio discretely carry the same rating: they are subject to their own, more detailed Assurance via individual Gateway Reviews.</p>	

The Delivery Confidence assessment RAG status should use the definitions below:

RAG	Criteria Description
Green	Successful delivery of the programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.
Amber/Green	Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
Amber	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.
Amber/Red	Successful delivery of the programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.
Red	Successful delivery of the programme appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The programme may need re-baselining and/or overall viability re-assessed.

2.0 Summary of Report Recommendations

Ref. No.	Recommendation	Urgency (C/E/R)	Target date for completion	Classification
1.	Reinforce communication of the strategic, regionalised approach, both internally and externally, in order to embed further the understanding of the sum of the parts rather than simply individual project benefits.	R - Recommended	Jul 24	3.5
2.	Further develop the benefits management approach to shift the focus to sustainable social and economic uplift, not just enablers.	R - Recommended	Jul 24	5
3.	Review and refresh the Portfolio Governance structure, considering potential options to integrate within the new Corporate Joint Committee structure, update the terms of reference and membership of the governance bodies should options progress.	E- Essential	Dec 23	1.1
4.	Emphasise the focus on Dependencies and Opportunities, particularly in respect of private sector investment and clarity surrounding the respective responsibilities for harnessing and driving emerging prospects.	R - Recommended	Jul 24	5

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the programme should take action immediately

Essential (Do By) – To increase the likelihood of a successful outcome the programme/ project should take action in the near future.

Recommended – The programme should benefit from the uptake of this recommendation.

3.0 Comments from the SRO

I am again grateful to the Review Team for their professional, constructive and positive manner in undertaking this review. Acknowledging that this is now the third consecutive amber/green Delivery Confidence Assessment rating reflecting the progress, direction of travel and alignment of Portfolio priorities.

I'm pleased that the report provides assurance to me, our regional strategic partners, Welsh Government and UK Government, PoMO and wider stakeholders that the portfolio is in good shape and that the early signs are that successful delivery is probable. This is particularly pleasing in the context of the challenging economic and social climate over recent years and is due largely to the commitment of the City Deal partners in ensuring that the programmes and projects adapt and remain a high priority.

The four recommendations within the report, and the other advisory comments, will again be shared, discussed and implemented with our key stakeholders.

As delivery progresses, and regional working matures further, the importance of the Portfolio and its role will be key. To this end, consideration of the SBCD in relation to the CJC structure will need to be a key consideration. There will also be an increased emphasis on demonstrating the outcomes and impact of the portfolio as the projects and programmes start to move further into the delivery and operational phases.

As this report acknowledges, we will need to remain mindful of the continued challenges and risks ahead to ensure the anticipated benefits are realised. Again, we will work as a team and ensure that delivery momentum is maintained.

I'm grateful for the opportunity that this review has provided to reflect on, and consider, the position of the Portfolio and how best to progress. I will take forward your recommendations and comments to further strengthen the Portfolio, ensuring that it continues to respond, evolve and mature.

4.0 Background

The background and aims of the Portfolio are set out in the Portfolio Business Case (March 2023).

Background

The Swansea Bay City Deal (SBCD) was agreed between the UKG, the WG and the four Swansea Bay City Region (SBCR) local authorities in March 2017. The original heads of terms included funding commitments of £241m from UKG and WG, and £396m from the four regional local authorities (Carmarthenshire, Pembrokeshire, Swansea and Neath Port Talbot) and other public sector bodies, with an anticipated £637m from private sector investment. Combined, this would create over 9,000 jobs.

The Swansea Bay City Region spans across four local authority areas with a combined population of approximately 698,000 people.

The City Region published an economic regeneration strategy in 2013 with a common vision to enhance the long-term prospects of the region's economy, businesses and communities. The strategy will co-ordinate collective action and identify routes and initiatives to respond to the structural challenges that are holding back the SBCR economy.

The creation of the SBCR in July 2013 was based on evidence that shows City Regions of more than 500,000 people are in a better combined position than individual local authority areas to stimulate economic growth through attracting investment and generating high-value job opportunities. The

population has grown by just over 1.1% (7,651) over the last five years and is expected to grow by a further 1.1% (7,850) over the next five years from 2020.

The SBCD is part of the SBCR strategy and portfolio. It's a partnership of eight regional organisations made up of local authorities, universities and health boards that aims to accelerate economic and social advancement through regional infrastructure and investment funds. The SBCD partners are:

- Carmarthenshire County Council
- City and County of Swansea Council
- Neath Port Talbot Council
- Pembrokeshire County Council
- Swansea University
- University of Wales Trinity Saint David
- Hywel Dda University Health Board
- Swansea Bay University Health Board

Strategic Driver

The strategic context for the Swansea Bay City Deal was originally framed within the Swansea Bay City Region Economic Regeneration Strategy 2013 – 2030, an ambitious strategic framework to support South West Wales and its future economic development. The document sets out that framework, which is intended to stimulate and shape the work of all our stakeholders as we come together behind a common vision, to enhance the long-term prospects of our City Region economy, its businesses, and communities. This strategy has now been updated with information from the South West Wales Regional Economic Delivery Plan that sets out the ambitions to develop a resilient, broad based and sustainable economy to 2030. The SBCD Portfolio is fully aligned with the strategic aims and objectives of the Economic Delivery Plan.

The SBCD Portfolio consists of 9 programmes and projects that together will have a significant impact on the regional economy in terms of Gross Value Added (GVA) and jobs created. The Portfolio is to be delivered over a 15 year timescale 2017-2033.

The SBCD has a current portfolio investment of £1.241bn, funded by the UK Government, the Welsh Government, public sector bodies and industry. This investment will improve regional infrastructure in high value sectors, attract inward investment from businesses and create good job opportunities.

The table below shows the intended economic impact of each of the 9 programmes and projects:

Programme / Project	15-year Impact	
	GVA £m	Net Jobs
Economic Acceleration		
Swansea City & Waterfront Digital District	669.8	1,281
Yr Egin	89.5	427
Digital infrastructure	318.8	-
Skills and Talent Initiative	-	-
Life Science & Well-being		
Life Science, Well-being and Sport Campuses	150.0	1,120
Pentre Awel (Life Science & Well-being Village)	467.0	1,853
Energy and Smart Manufacturing		
Homes as Power Stations	251	1,804
Pembroke Dock Marine	343.4	1,881
Supporting Innovation and Low Carbon Growth	93	1,320
SBCD Portfolio total	2,382.5	9,686

Current position regarding previous assurance reviews:

This is the fourth Gateway Review of the Portfolio. The recommendations of the previous review have been actioned.

A summary of recommendations, progress and status from the previous assurance review can be found in **Annex C**.

5.0 Purposes and conduct of the OGC Gateway Review

The primary purposes of a Gateway Review 0: Strategic assessment are to review the outcomes and objectives for the programme (and the way they fit together) and confirm that they make the necessary contribution to Ministers' or the departments' overall strategy.

Annex A gives the full purposes statement for a Gateway Review 0.

Annex B lists the people who were interviewed during the review.

6.0 Acknowledgement

The Review Team would like to thank all participants for their contributions to this review. The assistance provided by Ian Williams was particularly appreciated.

7.0 Scope of the Review

This is a mid-cycle Gateway 0 Review.

Additionally, the Review Team was provided with the following Terms of Reference:

1. Review progress on the previous Gateway recommendations
2. Embedding the arrangements for the delivery and operational phases of the Portfolio including ongoing assurance arrangements, change control process and the development of business cases from Outline Business Case to Full Business Case
3. Arrangements for the accurate forecasting and realisation of investment, with a focus on achieving private sector investment objectives
4. How the programmes and projects are addressing the challenges of funding in the context of increased construction costs, particularly in relation to the commitment of partner organisation and the potential impact on forecasted outputs and outcomes.
5. Are there any key issues or risks causing project delivery uncertainty, significant delays or risk to successful delivery
6. Are the Portfolio governance and reporting arrangements fit for purpose, appropriate and proportionate.
7. Identification of appropriate arrangements for the evaluation of the City Deal, including measures for assessing portfolio, programme and project benefit realisation
8. How can the City Deal connect effectively with wider regional initiatives and help develop a cohesive approach to regional partnership working

8.0 Review Team findings and recommendations

8.1: Policy and business context

As previously noted:

The Swansea Bay City Deal (SBCD) is jointly funded by the UK Government (UKG) and Welsh Government (WG) as a Capital Scheme and is subject to robust governance being enacted for the Region. In this case, the Region is defined as the geographical area covered by four Local Authorities (LAs):

- *City and County of Swansea Council;*
- *Carmarthenshire County Council;*
- *Neath Port Talbot County Borough Council; and*
- *Pembrokeshire County Council.*

The SBCD is firmly anchored in supporting overarching policy intent for both UKG and WG. SBCD supports UKG strategies including the Industrial Strategy and Clean Growth Strategy, as well clear alignment with Wales' Wellbeing of Future Generations Act.

The Portfolio is complex in its content and needs to be delivered against a changing political backdrop in both Governments and is further exacerbated by the advent of Covid-19 and the inevitable economic challenges that will present. SBCD is scoped to be delivered over a 15-year period, during which many events could influence investment priorities: the structure and control of the Portfolio will need to cater for momentum to be maintained through periods of change, yet also provide the ability to absorb change in emphasis according to the prevailing strategic direction.

This remains true.

It should be observed, however, that the context for the Portfolio continues to evolve amongst significant political and economic uncertainty. Additionally, the advent of the Freeport initiative provides further impetus (and potentially more complexity to navigate (in terms of multiple influences for change) albeit, this a project being dealt with by the CJC) behind the momentum already established. Overall, the core Portfolio team is already asking many of the right questions to ensure that scope, flexibility, strategic focus and policy alignment remain appropriate to the changing context (including an increasingly prominent Green agenda).

8.2: Business Case and stakeholders

Business Case Status

The previous Gateway Review recorded that:

The Portfolio Business Case acts as a strategic 'wrapper' for the Programmes and Projects within SBCD. Each Programme/Project (Pg/Pj) Business Case justifies the case for their respective investments and funding requirements. Each Business Case follows the standard 'five case' model.

The Portfolio Business Case has been approved by both UKG and WG. It is important now that the Portfolio Business Case is used routinely by the Programme Board and Joint Committee to maintain alignment with strategic priorities and evolving operational environment changes.

All nine constituent Pg/Pj now have approved business cases and many of the Pg/Pj are into delivery. In the intervening 12 months since the last Gateway Review, the economic context of the Portfolio has worsened significantly, with inflationary pressures threatening the affordability of many aspects of daily life. Those pressures are highly likely to have a direct impact on the Portfolio, potentially both negatively and positively, and this will need to be a constant factor throughout the delivery of the constituent Pg/Pj and the balancing of priorities within the Portfolio.

Good discipline is evidenced in the maintenance of the business cases and there is no suggestion that they are used simply for approval and become 'shelfware'. The PoMO ensures that business cases are being used through-life as a key part of the governance toolkit.

Potential exists, however, for the individual programmes and projects (Pg/Pj) in the Portfolio to be seen merely as 'similar subject buckets' and to be driven as such. Whilst the PoMO maintains a Portfolio-wide perspective, the Review Team detected some evidence of silo-thinking in some interviewees, and this should be guarded against. To be a true portfolio, the whole needs to be greater than the sum of the parts and the critical linkages need to be leveraged to best effect. For example, the Review Team is of the view that the Skills and Talent project is an enabling one that needs to flow through the veins of the Portfolio, rather than being confined to a silo. Constant attention to business case management will be a component of maintaining those linkages.

As the Portfolio (and its constituent Pg/Pj) progresses, the changes to

- the strategic context (e.g., Freeports);
- new opportunities (e.g., Offshore wind); and
- economic landscape (e.g., inflation, interest rates, supply chain)

will all need to be taken into account with every business case refresh, particularly in modelling and undertaking cost/benefit analysis. The Portfolio needs to ensure it delivers on the enduring regional strategic intent of tomorrow, whilst navigating the challenges of today. Indications are that the PoMO has this gripped, but Portfolio Management is a comparatively esoteric discipline, and the wider Pg/Pj players will need to continue to strive for region-wide outcomes.

Funding

As recorded:

The funding mechanism for SBCD is not directly linked to the approval of individual Pg/Pj business cases. The SBCD is a 15-year Portfolio of work and has been running for approx. 5 years with a total funding envelope of £241m from UKG/WG. This funding is to be released in annual tranches, to fund across all projects in the SBCD Region.

The WG element of the funding remains over 15 years, but UKG funding element has been compressed from 15 years to 10 years with the total funding amount remaining unchanged. This has the potential to enable Pg/Pj to progress more rapidly and bring forward benefits realisation; particularly relevant in the increasingly difficult inflationary environment.

At this point in time, portfolio financial management appears to be under good control against a difficult landscape of inflationary pressures, rising interest rates and labour cost/availability challenges. Funding continues to flow from UKG/WG. Owing to some Pg/Pj being up to 18 months behind schedule, this eases the cashflow perspective of the overall Portfolio and provides opportunities to re-profile expenditure to earlier years where appropriate and feasible, and also enables the avoidance of borrowing in some LAs where PG/Pj remain on track.

The Review Team is unclear what impact the Pg/Pj delays have on the value proposition for the overall Portfolio; whether the delays simply mean things will be late (and therefore diminish benefits); whether the timeframe will be fixed and the drawdown curtailed towards the end of the period; and whether the reduced purchasing power of the £GBP undermines the viability of some Pg/Pj.

It would be prudent to undertake an overall review of the entire Portfolio of business cases to make sure that their value proposition, individually and in terms of Portfolio contribution, still stacks up. The Review Team was told that this is in hand and that the regular business case maintenance cycle addresses these concerns. The next Gateway Review should take a more detailed look at that refresh once completed by the PoMO.

Stakeholders

The SBCD stakeholders include (but are not limited to):

- *UKG and WG;*
- *Local Authorities;*
- *Universities;*
- *Private Sector;*
- *Health Boards; and*
- *The Public.*

The Review Team heard much encouraging enthusiasm particularly in relation to the involvement of the Universities and Health Boards in driving and delivering components of the Portfolio. Health and wellbeing, skills and talent, technology and innovation, and green energy are all topics that excite and energise the Portfolio, and about which many interviewees speak passionately.

Involvement of the Private Sector, particularly in terms of Private Sector funding remains a key concern for many interviewees. The Private Sector is well represented via the Economic Strategy Board (ESB) and there appears to be take-up in terms of buildings occupation. However, there remains a need to keep focused on creating enduring, sustainable, economic and social uplift in the region. The SBCD is not about becoming a landlord; nor is it about transitory activities in construction. The SRO and PoMO are clear on this, but there is a need for constant messaging about the strategic intent both within the portfolio and more broadly.

That 'big picture' message appears strong amongst some stakeholders, yet weak amongst others. Some appear only to know about specific aspects of the Portfolio and displayed a tendency to be somewhat detached from the other initiatives within the Portfolio, or simply aware that they connected to it in some way (e.g., Freeports). It would be worth reinforcing the Portfolio view in stakeholder communications to ensure regional strategic coherence and avoid duplication/gaps whilst also strengthening the opportunities and linkages that deliver the 'multiplier effect' of true portfolio management.

Recommendation 1: Reinforce communication of the strategic, regionalised approach, both internally and externally, in order to embed further the understanding of the sum of the parts rather than simply individual project benefits. (Recommended – Ongoing)

8.3: Management of intended outcomes

Outcomes & Benefits

The previous Gateway Review recorded that:

The Portfolio investment Objectives include a number of targeted outcomes as shown below:

- 1. To create over 9,000 skilled jobs aligned to economic acceleration, energy, life sciences and smart manufacturing across the region within 15 years (2017-33)*
- 2. To increase the Swansea Bay City Region GVA by £1.8-2.4 billion through the SBCD by 2033 and contribute to the region achieving 90% of UK productivity levels by 2033*
- 3. To deliver a total investment in the region of £1.15-1.3 billion in the South West Wales Regional economy by 2033*

In addition to the above outcomes, the City Deal will also have wider social and economic benefits at both a programme wide and project specific level. The full detail of all City Deal outcomes and benefits will be set out in a Monitoring and Evaluation Plan that will provide details on the capturing, monitoring and evaluation of key information throughout the City Deal programme.

The Review Team heard much evidence about positive results which have happened because of the SBCD investment. It is clear that the portfolio has delivered much in terms of buildings, jobs and skills development in the region. The view was expressed to us by several interviewees that various initiatives had acted as catalysts for change across the region, and there is clear evidence of tangible results from the investment made.

What was less clear was the extent to which the investment had resulted in long term, sustainable change where the various elements of building, skills development and encouragement of private sector investment came together to deliver something larger than the sum of its parts. There seem to be some “golden threads” in this portfolio – e.g., skills development, green technologies, medtech – which should be the basis for an analysis of outcomes, rather than a concentration on building constructed, courses initiated etc.

Some participants expressed concern that the investment might not lead to benefits for the region; for example, people might develop skills through the many apprenticeships that had been created but need to move outside the region to find better paid employment. This example highlights the need to explore, as part of a wider benefits analysis, how investment in South West Wales has benefitted that region in a long-term way and sustainable way.

Another factor affecting the benefits case is that the programme of work has been taking place during a time when the region, like the rest of Wales and the UK, has been affected by several factors which have changed the economic and social landscape dramatically. Although this has created challenges, there have also been new opportunities, such as the potential for the region to be a leader in green technologies (e.g., offshore wind). It would be unsurprising if the benefits case had not changed during the period that the SBCD has been in operation.

Understanding how the SBCD has led to sustainable benefit for the region is not easy: it will not always be possible to establish clear causality, and it will take some years for the full effects to be apparent. Several participants discussed this problem, and there seemed to be a broad consensus that measures like GVA did not provide an adequate view. The Review Team would accept that this is challenging, but nevertheless consider that the further development of a clear Benefits Realisation Plan which identifies a set of suitable indicators is important for an investment of this scale.

It would also be worth exploring how similar initiatives in Wales and elsewhere have approached this issue.

The Portfolio Office should further develop the benefits management approach to move to a greater focus on outcomes and strategic benefits rather than investments and completion of enabling projects. This should clearly set out how the sustainable social and economic change effected by the SBCD will be measured and understood. The Review team saw a Benefits Management Plan and is encouraged that this ought to form the foundation for evolving the benefits management approach, particularly now that several Pg/Pj are achieving traction and delivering outputs.

Recommendation 2: Further develop the benefits management approach to shift the focus to sustainable social and economic uplift, not just enablers. (Recommended – ongoing)

Governance

The Review Team heard from a number of interviewees that the current Portfolio Governance structure has broadly been fit for purpose. However, some interviewees did express the view that at times the Portfolio Management Office was slowing and curbing momentum. Additionally, the Review Team heard that the PoMO is at times over-burdening the projects with requests for information reporting, particularly with regards to data reporting. This was not the view of the majority. Interviewees stated that increasingly there are more deputies attending the governance forums which may suggest increasing time pressures on core attendees or may potentially reflect a waning of commitment to the Portfolio. Interviewees expressed that the governance structure should be more responsive to emerging changes of emphasis and opportunities that benefit the region as a whole rather than focussing solely on single project deliverables, as the portfolio moves forward. However, in the main, the Review Team is of the view that the existing portfolio governance structure has worked well to date.

Options to integrate the SBCD governance structure into the South West Wales Corporate Joint Committee, which has legislative powers for economic wellbeing, transport, strategic land use and net carbon, will need to be considered. The Review Team heard that discussions have commenced on how this should be developed, and duplication of membership addressed. Interviewees expressed views that the development of the Corporate Joint Committee should be seen as an opportunity to leverage a stronger regional partnership to realise maximum benefits for the region. This ideally should include a regional strategic approach for external investment and appointing skilled external leads for tourism, digital, marketing and inward investment. The Review Team heard that there is a need for greater collaboration with similar investment and themed initiatives, both within Wales and across other parts of the UK to ensure the opportunity to utilise their experience and lessons learnt are maximised.

The Portfolio is 5 years into its 15 year lifecycle. The Review Team is of the view that now would be an opportune time to consider reviewing the existing Portfolio Governance structure, associated Terms of Reference and Board representatives to ensure that the structure is supportive of the next phases of the Portfolio lifecycle. Particular consideration should be given to ensuring that the Portfolio Management Office is able to bring coherence to the Portfolio by bringing everything together to create something bigger than the sum of the individual projects.

Recommendation 3: Review and refresh the Portfolio Governance structure, considering potential options to integrate within the new Corporate Joint Committee structure, update the terms of reference and membership of the governance bodies should options progress. (Essential – Do by end of CY2023)

8.4: Risk management

The Review Team heard a strong consensus that the programmes and projects are progressing well and that there are no uncontrolled risks. The current high inflation rate is causing an issue in terms of capital costs, although this is mitigated somewhat through a robust and prudent approach to financial management. Overall risk seemed to be managed well through close monitoring and reporting.

Some participants expressed the view that there was a risk that the SBCD might not take advantage of opportunities that arise. Given the extent to which the world has changed over the last few years it would be reasonable to assume that new initiatives might come to the fore (for example, offshore wind), so a process to scan for and integrate these would be useful. It was not clear to the Review Team if opportunities were being managed alongside risks.

The Review Team noted that private sector investment was rated as a Red risk at Portfolio level, although none of the projects/programmes shared this assessment. There may be plausible reasons for this, but it suggests that there may be some lack of understanding around dependency management between projects/programmes and the wider portfolio, or a lack of clarity about responsibility to encourage private sector involvement.

Further embedding RAIDO (Risks, Assumptions, Issues, Dependencies, Opportunities) as a discipline across the Portfolio could yield dividends particularly in the areas of dependencies (to optimise benefits) and opportunities (again, to optimise benefits)

Recommendation 4: Emphasise the focus on Dependencies and Opportunities, particularly in respect of private sector investment and clarity surrounding the respective responsibilities for harnessing and driving emerging prospects. (Recommended – ongoing)

8.5: Review of current phase

Progress

The SBCD is collection of nine Programmes/Projects, grouped thematically as follows:

- *Economic Acceleration*
 - *Swansea Waterfront*
 - *Yr Egin*
 - *Skills and Talent*
 - *Digital Infrastructure*
- *Life Science & Wellbeing*
 - *Life Science and Wellbeing Village*
 - *Life Science, Wellbeing and Sports Campuses*
- *Energy & Smart Manufacturing*
 - *Homes As Power Stations*
 - *Pembroke Dock Marine*
 - *Supporting Innovation & Low Carbon*

The Review Team heard that there had been some slippage, but that this was due to the exceptional circumstances of the last few years and could be accommodated. Several projects had reached completion and were now operational. There was confidence that initiatives would deliver positive outcomes over the next few years.

Overall, there was good feedback on the way the Portfolio has been managed, although concerns were expressed from some quarters about whether this represented an acceptable level of bureaucratic overhead. It was unclear whether these concerns were justified or whether the Portfolio Office needs to do more to explain how it adds value by providing strategic direction and managing synergies.

The Review Team is of the view that consideration should be given to ensuring that the function of Portfolio Management and the role of the PoMO is understood, and that the administrative and Portfolio governance overhead is minimised.

8.6: Readiness for the next phase

Portfolio Management & Resources

The PoMO has performed well to date. It now needs to review how best to support the next stages of the portfolio lifecycle. It is the view of the Review Team that priority should now be given to focus on driving through the Benefits Realisation baselining by agreeing a suitable methodology for the portfolio, together with developing the Benefits Realisation Plan for ongoing monitoring and reporting of benefits realised. PoMO will need to focus on ensuring that they provide the strong strategic drive and direction needed to ensure the broader regional benefits are realised through the sum of all projects. This work should be reflected on an ongoing basis in the Business Case refresh.

Forward Look

It is likely that there will be further political uncertainty over the next 12 months and the economic landscape is likely to remain both challenging and uncertain. The Portfolio will need to ensure it continues to remain cognisant of these challenges and their ongoing impacts on the Portfolio's commitment to planned investments and the realisation of regional benefits. Particular focus should be retained on the supplier's position with regards to ongoing financial viability and appetite to risk. As the component deliverables of the Portfolio are delivered, consideration needs to be given as to what operational governance arrangements are required to best support the move through the latter stages of the Portfolio lifecycle.

9.0 Next Assurance Review

The next Gateway 0 Review (Strategic Assessment) of the Portfolio should be undertaken in 12 months' time – **around July 2024**.

ANNEX A

Purposes of the OGC Gateway Review 0: Strategic assessment:

- Review the outcomes and objectives for the programme (and the way they fit together) and confirm that they make the necessary contribution to overall strategy of the organisation and its senior management.
- Ensure that the programme is supported by key stakeholders.
- Confirm that the programme's potential to succeed has been considered in the wider context of Government policy and procurement objectives, the organisation's delivery plans and change programmes, and any interdependencies with other programmes or projects in the organisation's portfolio and, where relevant, those of other organisations.
- Review the arrangements for leading, managing and monitoring the programme as a whole and the links to individual parts of it (e.g. to any existing projects in the programme's portfolio).
- Review the arrangements for identifying and managing the main programme risks (and the individual project risks), including external risks such as changing business priorities.
- Check that provision for financial and other resources has been made for the programme (initially identified at programme initiation and committed later) and that plans for the work to be done through to the next stage are realistic, properly resourced with sufficient people of appropriate experience, and authorised.
- After the initial Review, check progress against plans and the expected achievement of outcomes.
- Check that there is engagement with the market as appropriate on the feasibility of achieving the required outcome.
- Where relevant, check that the programme takes account of joining up with other programmes, internal and external.
- Evaluation of actions to implement recommendations made in any earlier assessment of deliverability.

ANNEX B

List of Interviewees

The following stakeholders were interviewed during the review:

Name	Organisation and role
WORKSHOP SESSION	
Cllr Paul Miller	Deputy Leader, Pembrokeshire Council, Joint Committee Member
Cllr Steve Hunt	Leader, NPT Council, Joint Committee Member
Cllr Darren Price	Leader, Carmarthenshire Council, Joint Committee Member
Cllr Rob Stewart	Leader, Swansea Council, Joint Committee Chair
INTERVIEWS	
Richard Brown	Assistant Chief Executive Pembrokeshire CC, SBCD Programme Board Member
Anthony Parnell	Treasury & Pension Investments Manager for CCC, SBCD Interim Finance Manager
Wendy Walters	Portfolio SRO, Chief Executive CCC, SBCD Programme Board Chair
Amanda Davies	Pobl Group Chief Executive, Deputy Chair of SBCD Economic Strategy Board
Jon Burnes	SBCD Portfolio Director
Lee Davies	Hywel Dda UHB Executive Director of Strategy and Planning, SBCD Programme Board member
Karen Stapleton	Deputy Director of Strategy Swansea Bay University Health Board, SBCD Programme Board member
Professor Paul Boyle	Vice Chancellor of Swansea University, Joint Committee Co-opted Member
Jason Jones	Property Maintenance Manager, Place and Infrastructure CCC, SWW Regional Contractors Framework
Helen Davies	WG Head of City & Growth Deals, Mid and South West Wales, Welsh Government Observer at SBCD Programme Board
Peter Austin	SBCD Business Engagement Manager
Barry Liles OBE	Pro-Vice Chancellor for Skills and Lifelong learning UWTSD, SRO Skills and Talent Programme
Nicola Pearce *	Director of Environment and Regeneration Neath Port Talbot Council, SRO SILCG and HAPS
Martin Nicholls	Chief Executive Swansea Council, SRO Swansea Waterfront
Professor Elwen Evans KC	Vice Chancellor UWTSD
Gareth Ashman *	UK Government City Deal Lead, UK Government Observer at SBCD Programme Board Member

* Unable to attend

ANNEX C

Progress against previous assurance review (20/07/2022 to 22/07/2022) recommendations:

Recommendation	Progress/Status
Ensure that individual Business Cases are maintained as live governance tools to keep pace with changing dynamics of the operating environment.	Actioned
Embed active monitoring of costs across the Portfolio and map against the benefits profiles, to inform any downstream prioritisation or re-phasing options.	Actioned
Increase access to PoMO intelligence and data for individual Projects, to facilitate proactive analysis and options planning, thus tightening the governance links and improving speed and quality of decision making.	Actioned
Enhance the clarity of reports and communications through increased use of plain, clear language and executive summaries.	Actioned