

**CYD-BWYLLGOR CRAFFU DINAS-RANBARTH BAE ABERTAWA**

**2.00 pm DYDD MERCHER, 15 IONAWR 2020, DYDD MERCHER, 15 IONAWR 2020**

**COUNCIL CHAMBER PEMBROKE**

1. Datganiadau o fudd
2. Cofnodion y cyfarfod diwethaf (*Tudalennau 3 - 10*)
3. Cyflwyniadau ar brosiectau lleol ar gyfer Sir Gâr a diweddariad ar y Prosiect Isadeiledd Digidol (*Tudalennau 11 - 18*)
4. Rhanbarthol gan Is-ganghellor Prifysgol Abertawe.
5. Diweddariad gan Swyddog Adran 151
  - diweddariad ar lafar am amodau a thelerau gan Lywodraeth y DU a Llywodraeth Cymru ar gyfer rhyddhau arian.
6. Monitro Rhaglen (*Tudalennau 19 - 86*)
  - Cynllun Rhoi ar Waith
  - Cofnod o Risgiau a Phroblemau
  - Cynllun Gweithredu (Datblygwyd er mwyn ymateb i adolygiadau amrywiol)
7. Blaenraglen Waith (*Tudalennau 87 - 88*)

**Gweddarlledu:** Mae'n bosib y caiff y cyfarfod hwn ei ffilmio er mwyn ei ddarlledu'n fyw neu i'w ddarlledu wedi hynny ar wefan y cyngor. Trwy fynd i mewn i Siambr y cyngor rydych chi'n rhoi caniatâd i'r cyngor eich ffilmio, a'r defnydd posib o'r delweddau a'r recordiadau sain hynny at ddibenion gweddarlledu a/neu hyfforddiant

**S.Phillips**  
**Chief Executive**

**Committee Membership:**

**Chairperson:** Y Cynghorydd R.James

**Vice  
Chairperson:** M.Harvey

**Councillors:** A.Llewelyn, S.E.Freeguard, P.Downing,  
J.Curtice, M.Evans, J.Adams, T.Baron,  
G.Morgan, D.Price a/ac Jones



## SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE

(Council Chamber - The Guildhall Swansea)

**Members Present:**

**28 October 2019**

**Chairperson:** Councillor R.James

**Vice Chairperson:** Councillor M.Harvey

**Councillors:** A.Llewelyn, S.E.Freeguard, P.Downing,  
J.Adams, T.Baron, D.Price and Jones

**Officers In Attendance** K.Jones, S.Curran, C.Davies, H.Mowbray,  
H.Morgan, R.Hemingway, R.Arnold and  
M.Shaw

**Joint Committee Invitees:** Councillor R.Stewart

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### 1. **DECLARATION OF INTEREST**

The following Member made a declaration of interest at the commencement of the meeting:

Councillor M.Harvey

Re Agenda item 5 Presentations on Local Projects for Swansea as he is employed as a Designing Out Crime Officer with the South Wales Police and had given designing out crime advice on the Digital Village and Digital Square projects.

### 2. **MINUTES OF THE LAST MEETING HELD ON 2 SEPTEMBER 2019**

The Minutes of the previous meeting held on 2 September, 2019 were approved subject to the inclusion of the following:

That following the discussion around the scope of the feasibility study on the metro, clarification was sought around the lack of inclusion of the Swansea Valley and the Amman Valley. This issue was fundamental as the footprint of the Metro would be an integral part for East Carmarthenshire and parts of Neath Port Talbot.

### 3. **WEBCASTING PROCEDURE RULES**

It was noted that today's meeting was the first to be webcasted.

The adoption of the procedural rules commencing the webcasting of the Swansea Bay City Region Joint Scrutiny Committee, contained within the circulated report was approved.

### 4. **TIDAL LAGOON VERBAL UPDATE FROM COUNCILLOR ROB STEWART**

The Chair welcomed Cllr R. Stewart the Chair of the Swansea Bay City Region Joint Committee.

Cllr. R. Stewart provided a verbal update on the Tidal Lagoon.

It was noted that disappointment was felt across the region when the UK Government was not in support of the previous proposal on the Tidal Lagoon. Following this, a statement was produced detailing ways of re-establishing the lagoon proposal and a Task Force was established. This Task Force has been in existence for the past 6 months to explore options of how the lagoon could be funded, procured and operated differently. The work of this Task Force was positively received by Welsh Government. The core question relating to 'making this an investable proposition that can be delivered potentially more cheaply' that was detailed within the Tidal Lagoon review report had been addressed. Welsh Government were provided with the core elements of the lagoon proposal with some additional opportunities which would be considered as part of the proposal, such as the 'Floating Solar' and 'Floating Housing' elements.

The committee were informed that in terms of the process, the project had been advertised to the market and there had been 11 interested from the Prior Information Notice (PIN) notice 5 of which were international companies. Welsh Government were reassured that there was market interest and that it would be cost effective. Welsh

Government would shortly be making an announcement on how they would formally respond to the options declared by the task force.

It was requested that a copy of the Tidal Lagoon review report be circulated to the Committee.

Members thanked Cllr R. Stewart for his comments and queried the revised land around housing and the location of the Tidal Lagoon as this may have an impact on the Local Authorities and their Local Development Plans. It was noted that discussions on this between partners would be beneficial and timely. Officers clarified that all partners were fully engaged in the Task Force Meetings. However, if the 'Floating Housing' element was to be located on Neath Port Talbot land then there would be consideration and discussions in relation to the Local Development Plans on a regional basis moving forward.

It was asked whether 'Floating Houses' would be funded by the private sector or, if there would be input from the Local Authorities. It was identified that the modelling of this would be largely private sector funded, however there would be an opportunity for Welsh and UK Governments to provide capital. In terms of local authorities contributions that wasn't being proposed.

In response to Members queries, it was noted that Swansea had been exploring options in terms of investigating energy companies to harness energy from the Lagoon.

It was queried how much information had been required from the original architects of the project such as an understanding of the finances of the projects as well as practicalities. It was highlighted that the company involved with the original proposal had been very cooperative and was one of the 11 companies that responded to the PIN notice. It was also noted that the previous proposal wouldn't generated a return on investment over eighty years, however, the new proposals envisage returns over a much shorter timescale and converting the energy to hydrogen would have a better return overall.

Following scrutiny the report was noted

## 5. **PRESENTATIONS ON LOCAL PROJECTS FOR SWANSEA**

Members welcomed Huw Mowbray who provided a presentation on the local projects within Swansea. The scrutiny committee were advised on the progress of both, the Digital Square and Digital Village projects along with an insight of the ambition to create a modern and dynamic city.

It was requested that a copy of the presentation be circulated to the members of the committee.

Members asked whether there were any plans to change the design of the bridge as it was mentioned that this was subject to discussion. It was clarified that the bridge in terms of its shape and size is not subject to change, however the design options of the bridge are up for consideration.

Concern was shared around the status of the 5G project. Reassurance was given, as the necessary equipment would be installed to ensure that 5G would be available when complete.

It was identified that an arena was to be built in Cardiff and members expressed concern in relation to competition for the arena to be built in Swansea. Officers reassured members that they would welcome a new arena in Cardiff as this would potentially provide more custom to the Swansea arena. It was noted that this would be a positive aspect and not competition.

Discussions took place around the potential loss of interest from high profile retailers if the City Deal did not exist. To reassure some of the concerns from the members it was stated that even though Swansea City Council had to invest during a difficult time, the proposals highlighted in the presentation would generate future income.

Following concerns from members, officers highlighted that the proposals would not cause displacement but instead provide new opportunities.

It was requested that a copy of the presentation be circulated to Members.

Following scrutiny the report was noted.

## 6. **UPDATE FROM THE SECTION 151 OFFICER**

The Chair welcomed the Head of Financial Services and Deputy Section 151 Officer, along with the City Deal Finance Manager, in the absence of the Section 151 Officer.

At the last meeting of the Swansea Bay City Region Joint Scrutiny Committee an update report on the grant terms and conditions was requested to come to today's meeting, but due to timescales this information was unavailable. The committee noted that the grant terms and conditions had been received from Welsh Government on the 24<sup>th</sup> October 2019. These had also been circulated to the appropriate officers and had been considered by the 151 officers. The Committee were reassured that additional money would be coming in the future. However this would need to be clarified in writing and members requested an update at the next meeting.

Attention was drawn to Appendices A and B within the circulated report.

Clarity was requested on the timescales for the terms and conditions from Welsh Government. It was explained that the request for the grant offer would need to be returned by 30<sup>th</sup> November 2019. Members were pleased to note that dialogue had already started with Welsh Government officials.

Clarification was also requested on the absent contribution of £50,000 from a co-opted partner. It was noted that officers are engaging with the co-opted partner as far as their representation is concerned on both the programme board and joint committee.

The committee asked what the long term impact was on the financing of the City Deal, following the recent increase in the Public Work Loan Board rate and queried whether it was expected to have a further increase. It was noted that interest rates went up 1%, which may change the financial details on a project by project basis. Officers were unable to provide a definitive response in relation to an increase in the interest rates.

Concern was raised in relation to a partner that is indecisive in their involvement in city deal. Members therefore asked what the impact was on the delivery of the projects with the current understaffing. Reassurance was provided on the ongoing recruitment process of the Programme Director.

Attention was drawn to the fairness of the breakdown on the 'Benefit in Kind' between the Local Authorities. Officers confirmed that the allocation was a recommendation following the review requiring the different Authorities to take on their given functions. The committee noted the relevance of this point and stated that the Swansea Bay City Region Joint Committee may wish to note this point and provide a comment in future.

Discussions took place around the process of the divide of the release of monies due to the release of the terms of conditions. It was explained that the methodology of the divide wouldn't change due to this. However, the exact distribution would require a mechanism which is equitable. It was noted that the grant would be dispersed to those projects with approved business cases, receiving their 1/15 of the share. The rest of the money would remain within the City Deal Programmes Office account. It was highlighted that Local Authorities may wish to loan this to support their projects. The interest generated off this would require discussion and further decisions. It was noted that the interest rate being considered would be 2.5% above the bank of England base rate equating to about 1%.

Considering the experience the City Deal has had on the delay of projects being approved, it was queried whether there would be a change in the stipulation of delivering projects in 5 years. Officers emphasised that the 5 year timeline was a decision from the Shadow Committee itself and not a requirement from the UK and Welsh Governments. It was noted that this would be due a review.

Members agreed that a letter be written to the Swansea Bay City Region Joint Committee asking for Clarity on the 5 year stipulation and whether the committee would consider extending this.

Following scrutiny the report was noted.

## **7. PROGRAMME MONITORING**

Members noted the attached reports circulated in advance of the meeting.

Clarification was given on the timeline for the appointment of the Programme Director. It was emphasised that the Swansea Bay City Region Joint Committee would be considering a list of candidates for



the role of the Programme Director at their next scheduled meeting on the 29<sup>th</sup> October 2019. Pending this decision a date would be sought for the interviews to take place mid November 2019.

It was agreed that an updated version of the Action Plan and Implementation Plan be brought to the next scheduled meeting on the 15<sup>th</sup> January 2020. Along with an updated Risk Register and Issues log, following consideration from the Swansea Bay City Region Joint Committee at a meeting on the 29<sup>th</sup> October 2019.

## 8. **FORWARD WORK PROGRAMME**

Members noted the Forward Work Programme, subject to the following alteration:

- That the presentation from the newly appointed managing director be delayed from the 15<sup>th</sup> January 2020 to the 9<sup>th</sup> March 2020.
- It was agreed that the following items remain on the Forward Work Programme for the next scheduled meeting on the 15<sup>th</sup> January 2020:
  - Update on the regional digital infrastructure programme
  - Chancellor Elect of Swansea University re ongoing involvement on the Programme - Verbal Update
  - Section 151 Officer
    - Terms and Conditions from UK and Welsh Governments for the release of monies
    - Local Supply Chain and procurement

## **CHAIRPERSON**

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## **SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE**

**DATE 15th January 2020**

### **Local Projects Update- Camarthenshire**

#### **RECOMMENDATIONS/KEY DECISIONS**

For Members of the Joint Scrutiny Committee to note and scrutinise the Swansea Bay City Deal local projects for Camarthenshire.



## **Carmarthenshire County Council**

### **Swansea Bay City Deal projects update**

#### **1 – Life Science and Wellbeing Village in Llanelli**

The largest regeneration project in South West Wales, this development aims to improve the health and wellbeing of people across the region, creating around 1,800 high-quality, well-paid jobs and boosting the economy by £467 million over 15 years.

The project will be located across 86 acres of brownfield land. It will co-locate services from the local government, health, academic, private and voluntary sectors to create an ecosystem for education, research and development, business incubation and broader wellness initiatives.

The development will be funded through a mixture of public and private sector finance.

Total funding of about £200 million will deliver all land parcels making up the project. As part of this funding, £40 million is being sought from the Swansea Bay City Deal programme to provide research, business and training space that will generate a significant economic impact.

The project comprises the following elements:

- A business development centre providing incubation and acceleration facilities for research-based business start-ups focussed on life sciences
- A wellbeing skills centre with facilities for education and training
- A clinical delivery centre with associated clinical research delivering a range of community focussed health and care. This centre will feature a wide range of training opportunities from entry level through to postgraduate and continuing professional development. Where appropriate, training will be integrated with health board clinical services identified for delivery on site.
- Assisted living in a range of accommodation types, aimed at a wide range of need. This will include a nursing home, extra care facilities and supported living accommodation. The aim is to promote independence, enhanced through the use of latest supported living technologies developed by specialist research and development companies based within the business centre. In addition, the assisted living facilities will provide a test bed to help business development and research.
- State-of-the-art sports, leisure and aquatics facilities integrated into the delivery of health improvements and physical rehabilitation.
- A hotel

- Housing that will include elements of social and affordable housing

The site will be made up of a number of zones:

- Zone 1 (City Deal business case)

Total building costs of £40 million

Research-led business development

Clinical delivery centre

Wellbeing skills centre

- Zone 1 (Carmarthenshire County Council funded)

Sports, leisure and aquatics facilities

- Zone 2 (Joint venture and market led)

35 units of social and affordable housing

- Zone 2 (Joint venture/market led/health board partnership)

Nursing home, residential rehabilitation and extra care facility

- Zone 3 (Market led)

Assisted living

Expansion business space for spin-out activities

- Zone 4 (Market led)

Hotel

Units of open market housing

### Key milestones and next steps

Outline planning consent awarded in August, 2019

RIBA stage 3 design works continuing. This will include the development of tender documentation leading to the procurement of a principal contractor off the South West Wales Framework.

Discussions on-going with academic partners covering higher and further education.

New project branding being imminently launched

Revised business case soon being submitted to Joint Committee for decision

Start of main construction works on site later this year

Completion of zone one in 2022

## 2 – Canolfan S4C Yr Egin



### Project overview

The £24.3 million Canolfan S4C Yr Egin project will develop an internationally renowned digital and creative cluster at the University of Wales Trinity Saint David in Carmarthen.

A City Deal contribution of £5 million will be made towards the development, which will create about 200 jobs in coming years.

An iconic building with various spaces for networking, an auditorium, state-of-the-art offices and post production facilities for professional and community activities, the first phase of the project is complete. Welsh language broadcaster S4C has already relocated its headquarters to Yr Egin, with a number of other creative sector businesses taking residency at the innovative development.

A second phase of the project is now being planned, which will add further floor space to accommodate more businesses.

### Project development and next steps

3,700 square metre first phase officially opened in October 2018

First phase close to 100% occupation

S4C headquarters and many other creative and digital sector businesses now based there

Phase two design to start this autumn

Phase two construction earmarked for 2022

Fit-out, completion and occupation of phase two in 2023

### **3 – Digital Infrastructure**



#### Project overview

With links to all other City Deal projects, the £55 million Digital Infrastructure project aims to support a thriving digital economy across the City Region that will stimulate private sector investment, improve public services and generate well-paid job opportunities.

A £25 million City Deal investment is proposed.

Working alongside the UK Government, the Welsh Government and internet service providers, the project will lead to high-quality, full fibre public and private digital services in urban areas.

Internet coverage in rural areas will also be considerably improved for the benefit of residents and businesses, and work is taking place alongside mobile operators to enable early, in-region access to future technology, including 5G.

The project will consist of three elements: Transport Corridor, Rural and Connected City. Together these components will:

- Create digital infrastructure including gigabit fibre and the establishment of 5G testbeds that will enable innovation and entrepreneurship within the region
- Expand the provision of 4G and Wi-Fi capabilities to benefit both urban and rural areas of the region
- Develop digital infrastructure for key sectors including energy, manufacturing and life sciences

#### Project development

Consultants appointed in late 2018 to develop five-case business plan

Digital Infrastructure Project Manager appointed in December 2019

Anticipated submission of project to Joint Committee for decision by early summer 2020

#### **4 – Skills and Talent Initiative**



#### Project overview

The £30 million Skills and Talent initiative, being led by the South West Wales Regional & Skills Partnership, will be a key component in ensuring that local people and businesses have the appropriate skills to benefit from each of the City Deal projects.

A £10 million City Deal investment is proposed.





Working alongside partners from the private sector, higher and further education, schools and the third sector, the project team will map out gaps in current provision and establish the skills and training needed for students, teachers and lecturers both now and in future.

Bespoke education and training solutions will then be introduced, which align to the needs of industry and key City Deal themes. Investment will include funding for equipment and the development of courses to support the projects.

#### Project development

Business case anticipated to go to Joint Committee for decision by May 2020.

Mae'r dudalen hon yn fwriadol wag



## SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE

DATE 15<sup>th</sup> January 2020

<b>Programme Monitoring</b>	
<p><b>RECOMMENDATIONS/KEY DECISIONS</b></p> <p>For Members of the Joint Scrutiny Committee to note and scrutinise:</p> <ul style="list-style-type: none"> <li>-The Implementation Plan</li> <li>-The Action Plan updates,</li> <li>- and the Project Issue Log that are contained within the report.</li> </ul> <p>The Section 151 officer will be present at the meeting to provide a response to any questions that the Scrutiny Committee may have.</p>	
<p><b>REASONS</b></p> <p>In the last meeting of the Joint Scrutiny Committee, Members requested that the Action Plan, Implementation Plan and Issue/Risk Register be a standing item on the agenda to ensure that the progress is monitored.</p>	
<p><b>OFFICER CONTACT</b></p> <p>Name: <b>Charlotte Davies</b></p> <p><b>Democratic Services Officer</b> <b>(NPT Council)</b></p>	<p>Telephone: 01639 763745</p> <p>Email: c.l.davies2@npt.gov.uk</p>

# Implementation Plan

The Swansea Bay City Deal Implementation Plan has been developed to set out the high-level activities that will support the delivery of the Swansea Bay City Deal (SBCD).

The Plan outlines the work of the Joint Committee and supporting structures including programme governance, stakeholder engagement, programme implementation, monitoring, evaluation and indicative milestones for the SBCD programme and its projects.

The Joint Committee will review the Implementation Plan annually, with the first review to take place no later than one year after the approval of the Implementation Plan. Reviews in later years will take place no later than one year after the previous review.

## Swansea Bay City Deal

### 1.0 Summary of Programme

The Swansea Bay City Region covers the four local authority areas of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea.

Based on the Swansea Bay City Region Economic Regeneration Strategy 2013-2030, the Swansea Bay City Deal sets out an integrated, transformational approach to delivering the scale and nature of investment needed to support plans for growth in the Region.

The strategic vision is to create a super smart innovation region which will inform and advance solutions to some of the most pressing challenges of modern times in the areas of economic acceleration, smart manufacturing, energy, life sciences and well-being.

The Swansea Bay City Deal is a total investment of £1.3 billion over a period of 15 years. This consists of £241 million from the UK and Welsh Governments, £396 million from other public sector funding, and £637 million from the private sector.

The City Deal provides a once in a generation opportunity to further consolidate the region's role in technological innovation through the creation of interconnected testbeds and living laboratories, designed not only for proof of concept but also for proof of business.

Using the transformational powers of next generation digital technologies, and supported by a programme of tailored skills development, the City Deal will accelerate the region's innovation, technological and commercialisation capabilities to support the establishment and growth of local innovation businesses, while also acting as a catalyst to attract further inward investment.

The strands of innovation, skills and digital infrastructure create synergies across the themes and projects of the Swansea Bay City Deal.

## Partnership working



The Swansea Bay City Deal is an excellent example of partnership working between councils, universities and education providers, health boards, the UK and Welsh Governments, and the business community. It demonstrates what collaboration and joined-up thinking can achieve for our citizens.

The City Deal is also a good example of the 5 Ways of Working promoted by the Well-being of Future Generations (Wales) Act 2015. The City Deal will make a significant contribution to the seven well-being goals.

Being a 15-year programme, the Swansea Bay City Deal gives an excellent opportunity to address persistent challenges such as climate change, poverty, inequality, jobs, skills and rurality in a transformational and preventative way.

It is also an opportunity for the four local authorities and City Deal partners as a whole to demonstrate use of the 5 Ways of Working to maximise their contribution to the well-being goals required under the Act, through a major public and private sector investment programme.

The Regional Office has been in discussions with the Office of the Future Generations Commissioner in Cardiff to explore at the outset how the SBCD projects can use the Act as a framework at the design stage of projects. This approach would then ensure contribution of each SBCD project towards the Act's seven Goals, while improving the 5 Ways of Working during project development.

The 5 Ways of Working principles will be used as a starting point for helping projects consider how they can involve people in the project's development, who they should be collaborating with, and what the long-term trends are that need to be considered or addressed.

The Office of the Future Generations Commissioner in Cardiff has developed a specific framework based on the 5 Ways of Working and the seven Well-being Goals. This Framework will allow SBCD Project Leads to use the Act to shape the development and assessment of projects and to drive their design and implementation. It has been shared with each of the Project Leads to assist in identifying improvements that need to be made to ensure the project adheres to the Act, while maximising the future benefits of the Swansea Bay City Deal Programme.

## **2.0 Outcomes and benefits**

The aim of the Swansea Bay City Deal is to create an outward-looking City Region with the innovation, capacity and infrastructure to inform and advance solutions to major regional challenges.

By 2035 we will:

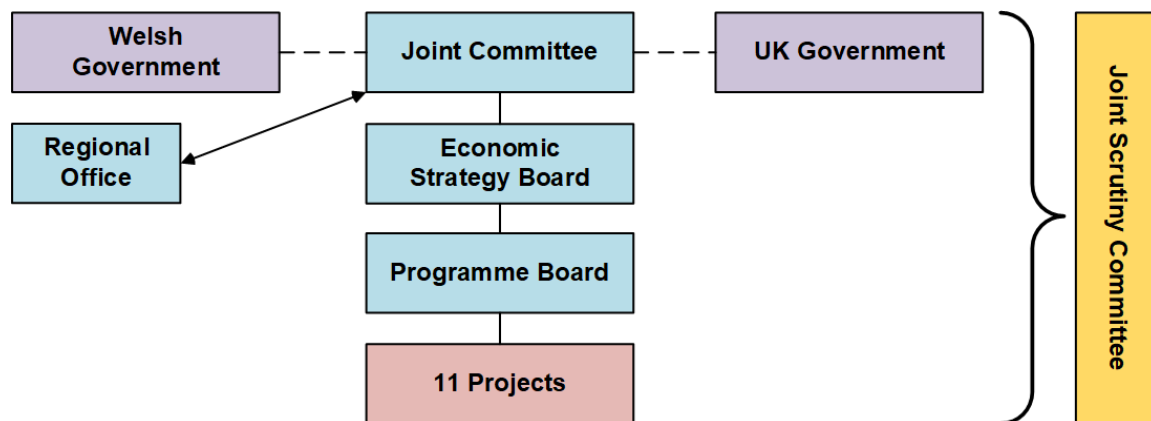
- Transform the regional economy
- Establish and maintain an effective and aligned skills base
- Create, prove and commercialise new technologies and ideas
- Be a recognised regional centre of excellence in:
  - The application of digital technologies
  - Life Science and Well-being
  - Energy
  - Advanced manufacturing

At the end of the programme period, it's estimated the Swansea Bay City Deal will lead to:

- Funding of £1.3 billion (including a £600 million private sector contribution) for interventions to support economic growth across the City Region
- A portfolio of transformational projects throughout the City Region
- A £1.8 billion contribution to regional GVA
- The creation of over 9,465 high-skilled jobs
- Investment spread across the entire City Region to ensure benefits for residents and businesses in all communities, both urban and rural

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.

### **3.0 Programme Governance set out in City Deal heads of terms**



#### **3.1 Joint Committee**

The Joint Committee comprises the four local authority Leaders of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea.

The Joint Committee will be chaired by a local authority Leader. Its current chair is the Leader of Swansea Council.

The Chair of the Joint Committee will be elected for a two-year term in the first instance, reviewed annually thereafter.

The Joint Committee has ultimate responsibility and accountability for decisions taken in relation to the Swansea Bay City Deal, in line with the visions and interests of all participating parties and the Swansea Bay City Deal document signed on 20th March, 2017.

The first formal meeting of Joint Committee took place on 31<sup>st</sup> August 2018 when each of the four local authorities signed the Joint Committee Agreement – a legal document that sets out how the councils will work together.

The head of paid service, monitoring officer and section 151 officer of each of the Councils shall be entitled to attend meetings of the Joint Committee as an advisor, but they shall not have a vote.

The Leaders have agreed to co-opt to the Joint Committee the Chair of the Economic Strategy Board, and one representative each from the University of Wales Trinity Saint David, Swansea University, Hywel Dda University Health Board and Swansea Bay University Health Board. Voting rights will be reserved for the four local authority Leaders.

The Joint Committee meets on a monthly basis and, as set out in the Joint Committee Agreement, its functions include:

- Identifying and introducing appropriate governance structures for the implementation of any projects within the Swansea Bay City Deal programme. This shall include the formation of corporate bodies and any other structures which the Councils can lawfully establish or participate in
- Agreeing and planning the overall strategy for and delivery of the Swansea Bay City Deal programme
- Performance management of the Swansea Bay City Deal programme
- Strategic communications
- Monitoring the City Deal programme's impact
- Reporting of impact to regional local authorities
- Authorising the Accountable Body to commission external support and to oversee the delivery and management of project expenditure
- Progressing a regional approach for the discharge of strategic functions. These functions may include land use, planning, transport and economic development
- Approval and adoption of the Implementation Plan
- Approval of any Implementation Plan deadline extension agreed by the Councils
- Agreeing the terms and conditions of Government funding
- Overseeing the proportion of each Council's responsibility for borrowing to provide funding for regional projects
- Reviewing performance of the Chair of the Economic Strategy Board on an annual basis
- Agreeing the annual costs budget
- Consideration of project business cases, based on recommendations from Programme Board and the Economic Strategy Board
- Determining whether or not to approve the submission of projects to the UK and Welsh Governments for approval/the release of government funds

### **3.2 Economic Strategy Board**

Reporting to the Joint Committee, the Economic Strategy Board (ESB) is made up of representatives from the private sector in key City Deal themes including energy, life sciences, manufacturing and housing.

The Economic Strategy Board acts as the voice of business, providing strategic direction for the City Deal through advice to the Joint Committee on matters relating to the City Region. It also has a role in advising the Joint Committee on opportunities to strengthen the City Deal's impact.

The Chair is accountable to the Joint Committee. Reaching agreement by consensus, the Economic Strategy Board does not have formal decision-making powers.

The Economic Strategy Board meets with the following frequency, or as and when required:

- Quarterly in advance of any Joint Committee meeting; and
- When necessary to deal with business as agreed by the Chair of the Economic Strategy Board.

The Regional Office will arrange for minutes of each meeting to be taken, approved and recorded. Key activities of the Economic Strategy Board include:

- Submitting strategic objectives for the Swansea Bay City Region
- Assessing the individual project business cases against the strategic aims and objectives of the City Deal
- Making recommendations to the Joint Committee on whether or not the project business cases should proceed
- Considering implications of a proposed withdrawal or change of project local authority lead
- Considering any proposal for a new project
- Providing recommendations to the Joint Committee on whether or not the new project proposed should replace the project to be withdrawn
- Determining the process for selecting new projects or reallocating funding
- Monitoring progress of the City Deal's delivery

The Chair of the Economic Strategy Board has been appointed following an open competition exercise. The process of appointing other members of the Economic Strategy Board has taken place through an open recruitment and nomination process, with membership being drawn from across private sector. The Economic Strategy Board membership was agreed through a vote at the first formal meeting of the Joint Committee on 31<sup>st</sup> August, 2018.

### **3.3 Programme Board**

Accountable to the Joint Committee, the Programme Board consists of the head of paid service of each of the four Councils, or another officer nominated by the head of paid service. The Programme Board Chair shall be reviewed annually.

The Programme Board may co-opt additional representatives to the Board. Co-opted members may include representatives of Swansea University, the University of Wales Trinity Saint David, Hywel Dda University Health Board and Swansea Bay University Health Board.

The Board was formally established by the Joint Committee at its first meeting.

The Programme Board has four distinct roles:

- Preparing recommendations on the Swansea Bay City Deal programme:
  - Ensuring that all schemes are developed in accordance with the agreed package



- Analysing each City Deal project’s financial viability, deliverability and risk
- Overseeing the production of business cases.
- Advising on the strategic direction of the Economic Strategy Board
- Overseeing performance and delivery of projects by reviewing progress against agreed milestones, focussing on delivery and financial risks, and identifying any necessary remedial action
- Working on a regional basis to improve public services, especially in the areas of economic development, transport, planning, strategic land use, housing and regeneration

Meetings of the Programme Board will take place on a monthly basis before meetings of Joint Committee and the Economic Strategy Board.

### **3.4 Accountable Body**

In accordance with the Joint Committee Agreement, it was agreed that Carmarthenshire County Council would act as the Accountable Body responsible for discharging City Deal obligations for all regional councils.

The role of the Accountable Body is to:

- Act as the primary interface with the Welsh Government, the UK Government and any other funding bodies
- Hold and release any Government funding in relation to the Swansea Bay City Deal
- Only to use and release these funds in accordance with the terms of the Joint Committee Agreement
- Comply with the funding conditions set out in the Joint Committee Agreement
- Undertake the accounting and auditing responsibilities set out in the Joint Committee Agreement
- Employ Regional Office staff

### **3.5 Regional Office**

Reporting directly to the Joint Committee, the Regional Office plays a co-ordinating and supporting role. It is responsible for the day to day management of matters relating to the Joint Committee and the Swansea Bay City Deal.

Key activities of the Regional Office include:

- Strategic liaison with the UK Government, Welsh Government and policy advisors
- Governance support for all aspects of the City Deal governance structure
- Programme implementation, co-ordination, monitoring and evaluation
- Undertaking research, analysis and reporting as and when requested by groups within the governance structure
- Strategic project co-ordination including advising on and coordinating the development and submission of 5 case business models for City Deal projects
- Liaison and engagement with government funding bodies and programmes, Universities and Health Boards
- Responsibility for managing the identification, assessment, approval, monitoring and evaluation processes for regional interventions and projects
- Communications and engagement management for the Swansea Bay City Deal
- Private sector involvement, business development and inward investment
- The consideration and development of opportunities for additional funding sources to assist in the delivery of regional activities which are complimentary to the SBCD.

### 3.6 Swansea Bay City Deal reviews

In December 2018, it was announced there would be two reviews into the Swansea Bay City Deal – an external, independent review; along with an internal review.

The findings of both the external review (carried out by Actica consulting) and the internal review (carried out by Pembrokeshire County Council) were published in March 2019.

Joint Committee has agreed to implement all recommendations arising from the reviews, which include:

- The appointment of a new City Deal Programme Director
- The establishment of a new City Deal Portfolio Management Office, led by the new Programme Director
- The management of the City Deal as a portfolio, as opposed to a set of pre-determined and immutable projects
- A redistribution of roles and functions to ensure an equitable balance across the City Deal partnership, each acting as a check and balance for the other

Progress includes the appointment in December 2019 of a new City Deal Programme Director.

Roles and functions have also already been redistributed as below to ensure a more equitable balance across the City Deal partnership:

- Legal and democratic services – Swansea Council
- Finance – Carmarthenshire Council
- Audit – Pembrokeshire Council
- Scrutiny – Neath Port Talbot Council

Carmarthenshire Council will continue as the Accountable Body.

### 4.0 Joint Committee Work Programme

A detailed work programme has been developed in Gantt format. This will be continually monitored and updated to ensure progress is being made.

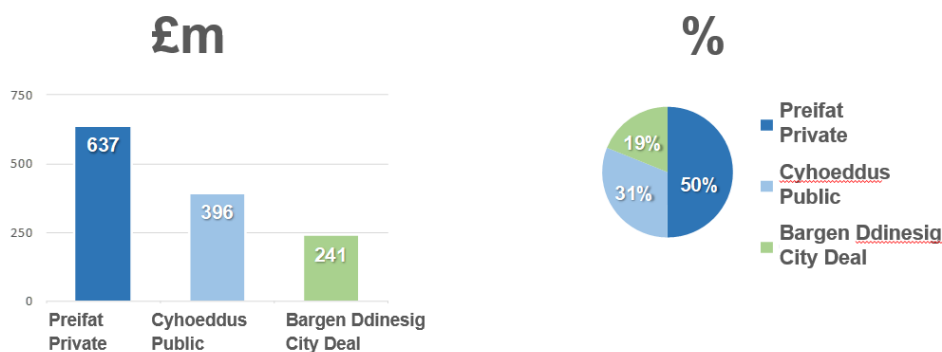
Summarised key actions for the Joint Committee include:

Category	Action	Timeframe (Using Calendar Year)	Responsibility
Governance	JCA & SBCD governance approved at Full Council meeting in each of the 4 LAs	Complete	4 LAs
	Formal agreement of JCA & SBCD governance	Complete	Joint Committee
	Formal establishment of Economic Strategy Board	Complete	Joint Committee /UKG & WG
	Establish Joint Scrutiny Arrangements	Complete	Neath Port Talbot

	Formal approval of Implementation Plan	Qtr1 2020	Joint Committee
<b>Finance</b>	Identify and agree LA borrowing requirements	Qtr1 2020	LAs Section 151 Officers and Legal Officers / Accountable Body / JC
	Identify funding for revenue requirements and agree position on NNDR & Capitalisation	In principle agreement reached Qtr2 2019	Accountable Body / LAs Section 151 Officers / Joint Committee
	Formal agreement of process principles for flow of finances for Regional and Local Authority City Deal projects as set out in the Joint Committee Agreement	Qtr 1 2020	4 LAs / Joint Committee
<b>SBCD Project development /approval</b>	Agree submission process and timescales for projects to Governments	Complete	Regional Office / UKG & WG / JC
	Agree project approval process	Complete	Accountable Body / 4 LAs / JC / UK & WG
<b>Legal and Procurement</b>	Draft SBCD JCA developed	Complete	Accountable Body/ LAs Section 151 Officers and Legal Officers
	Develop Economic Strategy Board TOR for approval	Complete	Accountable Body/ LAs Section 151 Officers and Legal Officers
	Develop City Deal Regional Procurement principles	Qtr2 2020	Accountable Body/Regional Office
	Contracts Register to be established to identify and report on community benefits	Qtr2 2020	Regional Office /Accountable Body
	Develop Template Funding Agreement between the Project Authority Lead and the Project Lead to allow the transfer of City Deal Funding	Qtr 1 2020	Accountable Body/ LAs Section 151 Officers and Legal Officers/ Joint Committee
<b>Monitoring and Evaluation</b>	Programme Risk Register Developed	Complete	Regional Office/Accountable Body
	Final Version Monitoring and Evaluation Plan agreed	Qtr1 2020	Regional Office / UKG & WG
<b>Stakeholder Engagement</b>	Development and agreement of Business & Stakeholder Engagement Plan	Qtr2 2019 & Ongoing	Regional Office / Joint Committee
<b>Strategic Regional Functions</b>	Explore key strategic functions at a regional level that will support both the implementation of this Deal and wider development activity	Ongoing	Programme Board / Joint Committee / UK & WG

## **5.0 Programme Financing**

The Swansea Bay City Deal is a total investment of £1.3 billion over a period of 15 years. This consists of £241 million from the UK and Welsh Governments, £396 million from other public sector funding, and £637 million from the private sector.



The Joint Committee Agreement sets out details of the allocation of Government funding and private and public funding contributions for each project. The proportion of Government funding shall be in accordance with the details set out in the JCA Schedule 7 (table shown below) unless the Councils agree to vary this.

The City Deal portfolio of projects set out in the heads of terms can be seen in the diagram below.

PROJECT NAME	Private (£ m)	Public (£ m)	City Deal (£ m)	Total Project Costs (£ m)
<b>Internet of Economic Acceleration</b>				
Digital Infrastructure	30.0	0.0	25.0	55.0
Swansea City & Waterfront Digital District	23.9	94.3	50.0	168.2
Creative Digital Cluster - Yr Egin	3.0	16.3	5.0	24.3
Centre of Excellence in Next Generation Services (CENGS)	27.0	5.5	23.0	55.5
Skills & Talent Initiative	4.0	16.0	10.0	30.0
<b>Internet of Life Science &amp; Well-being</b>				
Life Science & Well-being Campuses	10.0	20.0	15.0	45.0
Life Science & Well-being Village	127.5	32.0	40.0	199.5
<b>Internet of Energy</b>				
Homes as Power Stations	382.9	119.2	15.0	517.1
Pembroke Dock Marine	25.9	22.4	28.0	76.3
<b>Smart Manufacturing</b>				
Factory of the Future	3.2	10.3	10.0	23.5
Steel Science Centre	0.0	60.0	20.0	80.0
<b>TOTALS</b>	<b>637.4</b>	<b>395.9</b>	<b>241.0</b>	<b>1,274.3</b>

## 5.1 Revised Neath Port Talbot programme

The City Deal projects originally due to be led by Neath Port Talbot Council included Centre of Excellence in Next Generation Services (CENGS), Factory of the Future and the Steel Science Centre.

To better meet the needs of Neath Port Talbot/regional residents and businesses, however, a new programme of projects to be part City Deal funded was approved by Neath Port Talbot Council's Cabinet in July 2019.

The £58.7 million Supporting Innovation and Low Carbon Growth programme has been developed to deliver a co-ordinated delivery of sustainable growth and job creation in the region, with a targeted focus on the Port Talbot Harbourside area.

The Programme aims to create the right environment for innovation, new technologies and a decarbonised local and regional economy.

A GVA contribution of £6.2 million a year is being projected once all projects are operational, along with the creation of 446 new, high-value added jobs. This would generate a GVA impact of £93 million over 15 years.

A 15-year Net Present Value (NPV) of £145 million is also projected.

Funding of £47.7 million is being sought from the Swansea Bay City Deal, with other funding coming from Neath Port Talbot Council and the private sector.

The Supporting Innovation and Low Carbon Growth programme has been developed around four interlinked themes:

1. **Swansea Bay Technology Centre** – An energy positive building on Baglan Energy Park providing flexible office space for start-up companies and indigenous businesses, with a focus on the innovation, ICT and R&D sectors. The excess energy from solar and other renewable technologies will be converted into hydrogen at the nearby Hydrogen Centre to be used to fuel hydrogen vehicles.
2. **National Steel Innovation Centre** that aims to support the steel and metals industry in Port Talbot and Wales – with the aim of reducing the carbon footprint of the steel and metals industry, and increasing the sustainability of the industry, linking in to the circular economy.
3. **Decarbonisation** – To assist with the delivery of decarbonising the City Region, a number of core projects will be undertaken in collaboration with public, private and academic partners including the FLEXIS research operation. These projects include a hard-wired electrical link between the Swansea Bay Technology Centre and the nearby Hydrogen Centre, as well as an electrical charging infrastructure route map. Encouraging the uptake of electric vehicles, this includes the development and implementation of an electric vehicle charging network that meets the demands of residents, businesses and visitors. New charging stations will contribute to solving Wales' lag in electrical vehicle charging infrastructure and coverage compared to the rest of the UK. Air quality modelling and real-time monitoring will also be introduced to enable better informed air quality decisions in future. This project will include data analytics to identify correlation with pollution sources, evaluation of intervention measures, and area wide, real-time data with significantly more geographic detail than is currently available.
4. **Industrial Futures** – This will address the gap between demand and supply for businesses and available land in the Port Talbot Waterfront Enterprise Zone, with a hybrid building providing production units as well as office space to support start-ups and indigenous businesses - especially those in the innovation and manufacturing sectors. There will also be laboratory space supported by Industry Wales for spin-outs to monetise research and development projects, as well as land remediation, flood defence work, construction of access roads and upgrading of highways. A

Property Development Fund will also be made available to support the viability of private sector schemes to develop buildings in the Enterprise Zone.

The portfolio of projects meets the requirements of recommendations arising from reviews into the City Deal, while also representing a first stage response to the climate change emergency declared by the Welsh Government in April, 2019.

The programme will develop over 18,000 square metres of business space, primarily to meet evidenced demand from small to medium sized businesses, while providing the technological platforms essential for them to grow.

## **5.2 Synergies with the Swansea Bay City Deal programme**

The Programme will meet City Deal portfolio objectives by:

- Reducing gap in GVA performance between the Region and the UK through improving regional productivity - Analysis estimates an annual GVA impact of £6.2 million once all projects are fully operational. It's also estimated that the programme will deliver a positive, cumulative NPV of £145 million over 15 years.
- Creating high-value jobs - 1,320 jobs (including construction) will be safeguarded/created, with at least 30% of these to be new. Jobs will be created in the advanced manufacturing, energy, engineering and technology sectors.
- Establishing and maintaining an effective and aligned skills base - All Programme projects will work with the Regional Learning and Skills partnership to ensure there is an appropriate skills base to take advantage of the investment.
- Creating, proving and commercialising new technologies and ideas - The overall project will develop over 18,000 square metres of business space. This will include flexible office space for start-up companies and indigenous businesses to commercialise their ideas and technologies. There will also be laboratory space supported by Industry Wales for spin-outs to monetise research and development projects. The National Steel Innovation Centre will facilitate the commercialisation of steel science research and development.
- Building capacity and driving forward further and greater inward investment - Employment sites and premises will be developed to house growing indigenous businesses and attract investment, helping meet gaps in business property supply through a demand-led approach with sufficient capacity. A distinctive programme of decarbonisation for manufacturing will also be developed, helping attract investment, along with a property development fund to stimulate private sector investment. The marketability of the Enterprise Zone for further investment will also be enhanced.
- Creating a sustainable regional economy that contributes meaningfully to the economy of Wales and the UK - The project will inject momentum into the delivery of sustainable growth and job creation in Neath Port Talbot and the wider City Region. A sustainable regional economy will be created via decarbonisation to establish cleaner processes for industry and cleaner air for communities. Decarbonisation interventions will also promote sustainable travel, buildings and economic growth, while creating a more diversified economy. This will contribute to Wales and UK-wide climate change targets. The project will also invest in 21<sup>st</sup> century employment facilities to create sustainable jobs in identified sectors, with innovative steelmaking research and development due to benefit the steel industry in Neath Port Talbot, the City Region and far beyond.

The Supporting Innovation and Low Carbon Growth programme is also aligned to the four 'internet' themes within the City Deal programme:

- The Internet of Economic Acceleration: next generation digital infrastructure
- The Internet of Life Science and Well-being: expanding research and innovation
- The Internet of Energy: energy innovation and sustainable housing
- Smart manufacturing

The energy efficient buildings and decarbonisation elements of the programme align to the regional Homes as Power Stations project, as well as the Pembroke Dock Marine project aimed at boosting South West Wales' blue economy

Next generation digital infrastructure, as well as the potential for early in-region access to 5G, will boost business productivity in the new employment spaces being developed, helping attract further investment.

The Programme will also accelerate work to decarbonise the economy, while facilitating advanced research and development to safeguard the future of the steel industry.

All projects forming part of the programme will work with the Regional Learning and Skills Partnership to ensure there is an appropriate skills base to take advantage of this investment.

### **5.3 Alignment to the Well-being of Future Generations Act**

The Programme will meet the requirements of the Well-being of Future Generations Act by helping create:

- **A prosperous Wales** through the provision of new employment and efficient use of resources via building design and the re-use of brownfield land
- **A resilient Wales** via new business premises, with the necessary technological infrastructure to promote diversification and reduce overreliance on traditional industries and public sector employment
- **A healthier Wales**, with long-standing evidence demonstrating the positive impact of employment on health and well-being
- **A more equal Wales**, thanks to the programme including opportunities accessible to all to reduce societal inequalities
- **Cohesive Communities** through sustainable, viable employment
- **A Vibrant Culture and thriving Welsh Language**, with increased employment opportunities supporting the language in the medium and longer term
- **A Globally Responsible Wales**, thanks to the design and delivery of buildings in line with required sustainable development principles

### **5.4 Responsibilities and accountability**

The Joint Committee has ultimate responsibility and accountability for decisions taken in relation to the Swansea Bay City Deal. It is the role of Programme Board to ensure that all schemes are developed in accordance with the agreed package by analysing the financial viability, deliverability and risk of each City Deal project proposal. This detailed analysis will then be reported to the ESB and Joint Committee.

Private Sector investment is fundamental to the overall success of the Deal. There is a requirement for each City Deal project to have a credible and robust financial profile in place from the outset. All letters confirming both private and public sector match funding are to be

in place for the project prior to City Deal funding approved, confirming amount and timing as set out in the project's approved financial profile. The Project Authority Lead and Project Delivery Lead are to put in place effective project monitoring processes. Funding agreements will be signed at the outset between Project Authority Leads and Project Delivery Leads setting out funding conditions.

For all projects, in addition to the 5-case model assessment process, the Accountable Body will undertake an assessment of the Project's Financial Profile to check that private and public sector contribution/s are in line with that set out in the initial project business case from the Project Lead. All variances and changes, including implications of these, will be reported to the PB, ESB and JC for consideration and decision of course of action as deemed necessary before City Deal funding is approved for the project.

It is the aim of the Swansea Bay City Deal that all projects will be delivered in five years in order to maximise the full benefits realisation of the operational schemes during the lifetime of City Deal funding, which is to be released to the Region from the governments over a 15-year period.

As set out in the JCA, making decisions on borrowing and finding other sources of funding other than Government Funding for projects is a matter reserved to the Councils. Each Council shall be responsible for borrowing or providing other funding for projects located in its area.

If a project is located in more than one Council area, each local authority involved may agree that borrowing or funding should either be shared equally, or in proportions approved by all.

The Programme Board will prepare recommendations to Joint Committee on all schemes, while also ensuring project development in accordance with the agreed package.

The Joint Committee is responsible for overseeing the proportion of each Council's responsibility for borrowing to provide funding for regional projects. The capital borrowing (in respect of the Government funded element) for the SBCD projects will be re-paid by identified Government funds (UK & Welsh Government) over the 15-year period.

The exact level of borrowing and the structure and terms of the borrowing is yet to be confirmed, although it will be calculated based on the amount required per relevant local authority, and will be in line with individual local authority internal requirements. This is being determined by the four regional local authority Section 151 Officers. All borrowing will be agreed based on the principles of the Prudential Code and Treasury Management Policy and Strategy for each Authority. When further details of the investments required for each project are known, a full business case appraisal for each individual project will be completed and submitted to the relevant local authority for approval before submission to the Joint Committee. These full business cases will include the detailed funding proposals and requirements of the local authority.

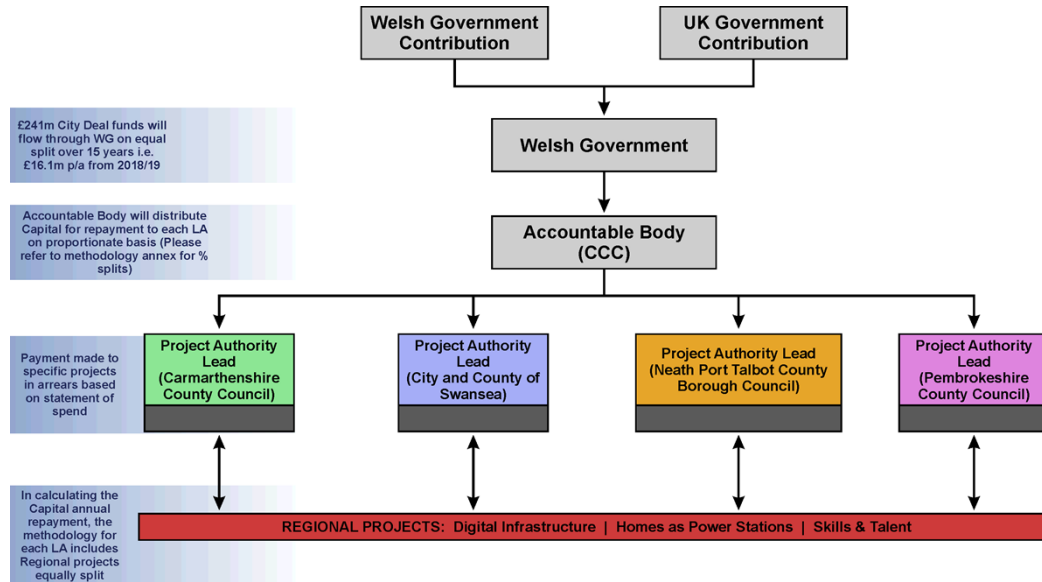
The Welsh Government has given an in-principle agreement that the local authorities in the SBCD region will be allowed to retain 50% of the additional net yield in the non-domestic rates generated by City Deal projects. The basis of the allocation of the rates generated within the SBCD is yet to be agreed. This is being negotiated by the four Section 151 Officers of the four local authorities. There's additional information that provides authorities with support to utilise funding flexibilities within the Joint Committee Agreement appendices

Once the UK Government and Welsh Government have approved release of City Deal funding for individual CD projects, this funding will be released to the Region via the

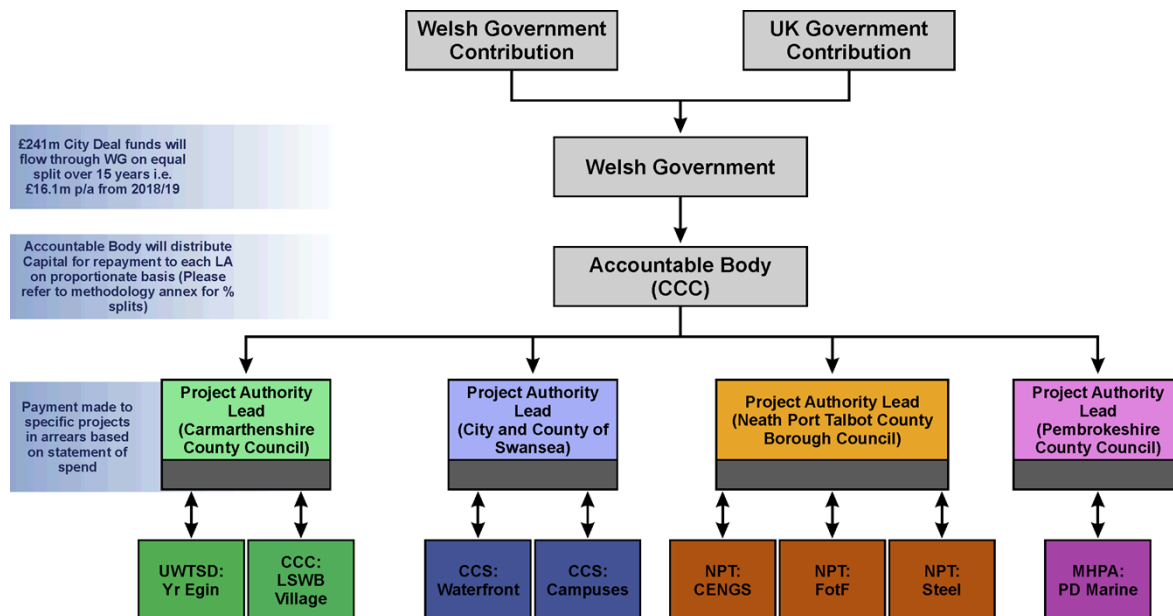


Accountable Body who, in accordance with the Joint Committee Agreement, will distribute the funds to the regional local authorities as demonstrated in the following flow charts:

### 5.5 City Deal flow of finances (Regional projects)



### 5.6 City Deal flow of finances (Local authority projects)



## 6.0 Strategic Programme Risks

Each Swansea Bay City Deal project carries its own associated risks which will be mitigated throughout the application and delivery process. A detailed risk analysis will be undertaken

for all projects by the Project Delivery Lead as part of the development of the 5 case business model process, with a project specific risk register established to assist in the ongoing management and mitigation of all risks.

A detailed Programme Risk Register has been developed for the Swansea Bay City Deal Programme. This risk register will be managed, revised and updated by the Regional Office, with both Programme Board and Joint Committee tasked with its continual review.

A summary of the most significant programme risks is outlined in the table below. It should be noted, however, that these risks are shown at this point in time and that the status of each will alter throughout the Programme's duration.

Category	Risk	Probability	Impact	Mitigation
		Scale Low 1:5 High	Scale Low 1:5 High	
Development	Delay in approval of Joint Committee Agreement	1	1	JCA formally approved by each of the four LAs at meetings of the Full Council. JCA signed-off at first formal JC meeting in August 2018.  Revised JCA also now approved by JC and all 4 LAs
	Delay in approval of Implementation Plan	4	4	IP signed off in principle at the first JC on 31st August 2018.  Revised IP following SBCD reviews due for completion and approval in January 2020
	Delay in establishment of Economic Strategy Board	1	1	ESB Chair and membership approved at first formal Joint Committee meeting on 31st August 2018. Introductory session held on 19th September 2018 to assist members in their new role.
Implementation	Delay in development of Business Cases by Project Leads	2	3	Critical dates developed to assist in mapping out project development, submission and approval process timelines. Programme Board and ESB in place to oversee the development of business cases. Joint Committee Agreement in place which sets out agreed processes for deciding on any actions required. Three projects now submitted for formal approval following sign off by City Deal governance. Work to develop other business cases continues, with a number soon earmarked for approval and submission to both governments.
	Delay in approval of City Deal Business Cases	2	3	JCA and governance structure formalised in August 18. Regional Project Authority Leads / Project Authority Leads will have early sight of relevant draft version business cases.  Agreement of submission process and timescales for review of final business plans with both governments.  Joint Committee forward work programme approved in December 2018. Forward work programme for ESB approved in January 2018.

Category	Risk	Probability Scale Low 1:5 High	Impact Scale Low 1:5 High	Mitigation
				The region has worked closely to support both reviews to ensure timely, speedier approval of project business cases can be obtained.
	Business case is not approved / project falls	2	3	Open and regular dialogue between Accountable Body, RO, Project Delivery Lead and Project Lead. . Early identification of potential trigger points and any potential mitigating/rectifying actions. If irreconcilable, Joint Committee Agreement in place which sets out agreed processes for identifying new project(s) to achieve the outcomes of the City Deal. Findings of the UK and Welsh Government independent review and the internal SBCD review in Jan 2019 will further assure that the processes outlined in the previous update are robust and effective in mitigating the likelihood that a business case is not approved.
	Slippage in Programme delivery	3	3	Establish robust monitoring and evaluation framework to ensure programme and project delivery remains within agreed timescales, and to ensure that all targeted project outputs and outcomes will be achieved. Regional Team in place to undertake monitoring role. Accountable Body/Section 151 officers will undertake programme level financial profiling to ensure borrowing and distribution of City Deal funding is reflective of programme delivery.  Independent and internal City Deal reviews completed in March 2019, with Joint Committee agreeing to implement all recommendations.  The implementation of these recommendations is ongoing.
Operation	Withdrawal of Local Authority	1	2	JCA signed by each LA which clearly sets out agreed provisions for such a scenario.

Category	Risk	Probability Scale Low 1:5 High	Impact Scale Low 1:5 High	Mitigation
al	Failure to engage relevant stakeholders including private sector to enable wider development of the programme	2	1	<p>Economic Strategy Board in place from the outset providing private sector involvement. Key stakeholders already engaged. SBCD Business Engagement Manager and Communications Officer employed in the RO to ensure early and ongoing involvement.</p> <p>Regular City Deal attendance of business events across the region, with a major event held in December 2018. A further City Deal event for the business community is planned for Qtr1 2020.</p> <p>Regular City Deal communications ongoing via the media, the City Deal website, the City Deal social media accounts, and e-newsletters targeted at the business community.</p> <p>Communications and engagement plan in place, and being continually monitored and updated to reflect developments/milestones.</p>
	Failure to achieve agreed outcomes / outputs in agreed timeframe	3	4	Develop robust baseline. Establish monitoring and evaluation framework including key milestones and timescales for review. Regular performance reporting to Programme Board, ESB and Joint Committee to enable decisions on any mitigating actions deemed necessary to keep the programme on track.
Financial	Failure to identify / secure City Deal revenue funding	2	2	Ongoing dialogue with governments under way to identify potential solutions.
	Private Sector funding contribution/s not in line with initial business case projections	3	4	For all projects, in addition to the 5 case model assessment, the Accountable Body will undertake an assessment of the Project's Financial profile to check that the private sector contribution is in line with the initial business case financial projections. Any implications resulting from variance to be reported to PB, ESB and JC for action.
	EU match funding contributions contribution/s not in line with initial business case projections	3	4	For all projects, in addition to the 5 case model assessment, the Accountable Body will undertake an assessment of the Project's Financial profile to check that the private sector contribution is in line with the initial business case financial projections. Any implications resulting from variance to be reported to PB, ESB and JC for action. RO in dialogue with WEFO.
	Failure of projects to secure	2	5	Credible and robust financial profiles need to be in place for each City Deal Project from the outset. Letters confirming match funding to be in place for the

Category	Risk	Probability Scale Low 1:5 High	Impact Scale Low 1:5 High	Mitigation
	committed full funding package (cap & rev)			project before City Deal funding is approved, confirming amount and timing as set out in the project's financial profile. Timely monitoring and review following approval of five case business plan. Robust and timely procurement activity must be planned, executed and monitored. All Project Authority Leads to put in place effective monitoring and evaluation processes. Funding agreements signed between Project Authority Lead and Project Lead.

## **7.0 Business Case Assessment Process**

The need to get the best possible value from spending public money will always remain a constant for those entrusted with spending decisions. To this end, all City Deal business cases must be developed using the HM Treasury and Welsh Government's Five Case Model - an approach which is both scalable and proportionate. It is recognised as best practice and is the Treasury's standard methodology.

The business case, both as a product and a process, provides decision-makers, stakeholders and the public with a management tool for evidence-based, transparent decision-making and a framework for the delivery, management and performance monitoring of the resultant scheme.

Each business case in support of SBCD project must evidence:

- **Strategic Case** - the intervention is supported by a compelling case for change that provides a holistic fit with other parts of the organisation and public sector
- **Economic Case** - the intervention represents best public value (to the UK as a whole)
- **Commercial Case** - the proposed project is attractive to the marketplace, can be procured and is commercially viable
- **Financial Case** - the proposed spend is affordable
- **Management Case** - what is required from all parties is achievable

As set out in the Joint Committee Agreement, the Project Business Case shall include a Resolution of the Project Authority Lead and all Councils in whose area the project shall take place that they approve the submission of the Project Business case.

The Regional Office has day to day responsibility for managing the assessment process for projects.

To assist a speedier assessment process, the UK Government and Welsh Government have agreed an informal iterative review process for assessing draft versions of business cases in order to assist Project Leads in the production of complete full business cases which are appropriate for 5 case formal review process.

Following the City Deal reviews, the relationship between individual local authorities, project leads, the Regional Office, the UK Government and Welsh Government has been improved to create enhanced communication.

On completion of the final draft business case, and following approval from the respective Regional/Project Authority Lead(s), full business cases for each of the City Deal projects will undergo assessment by the Regional Office before being considered by the respective City Deal governance structures. After approval by the Joint Committee the project business case will be forwarded to the UK Government and Welsh Government for approval to release City Deal government project funding to the Accountable Body.

## **Regional Office Project Assessment Criteria**

### **1. Fit with the WG Future Well-being Act**

- Clear evidence of the 5 Ways of Working;
- Clear evidence of contributing to Well-being goals
- Clear evidence of alignment with local well-being plans

### **2. Strategic Fit**

- Alignment with the strategic aims and objectives of the Swansea Bay City Deal and wider regeneration regional strategy, while demonstrating the City Region's ambitions
- Demonstrable synergies with other Swansea Bay City Deal projects

### **3. Financial**

- Credible and robust financial profile with cost breakdown is in place for each City Deal project before funding approval
- Private sector contribution/s are as set out in the initial business case financial projections for the project and in the Heads of Terms document
- Letters confirming project match funding from all sources must be in place before City Deal funding is approved. These letters should confirm amount/s and timing – and any dependencies - as set out in the project's Financial Profile for both the public and private sectors
- Evidence of ongoing project sustainability for a period of at least the 15-year SBCD Programme period to include a credible operational/commercial case that sets out full details on proposed income sources, income flows and any dependencies.

### **4. Deliverability**

- Robust governance & partnership approach
- Project management - team and experience
- Clear project plan

### **5. Outputs and Outcomes**

- SMART (specific, measurable, achievable, results-based, time-bound) project outcomes with associated baseline data is in place in line with overall City Deal plan

- Projects should clearly establish intended outputs with a clear definition of what success would look like

## **6. Risk Management**

- Project Risk Register and risk management process in place - identification, management and mitigation of all risks

## **7. Procurement**

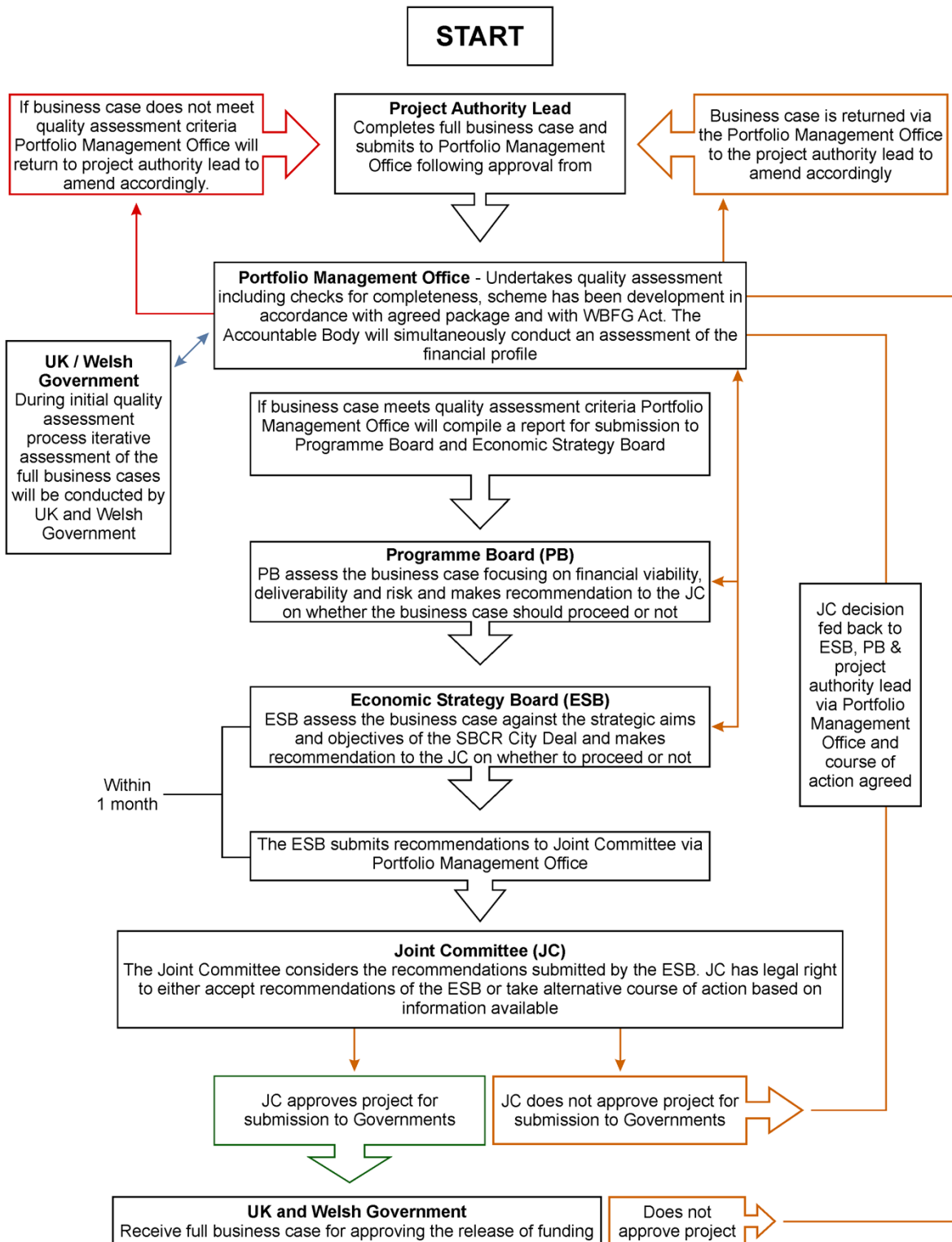
- Projects must set out how they will procure all project activity to benefit regional businesses and residents
- Wider community benefits demonstrated in the business case - local supply chain support and apprenticeships, for example

## **8. Project Monitoring & Evaluation**

- All Project Leads to have clear and effective Monitoring and Evaluation Plans
- Key delivery steps and associated milestones demonstrated
- Detailed proposal for how and when all outputs and outcomes will be measured and reported to the Project Lead Authority and the Regional Office
- Evaluation proposal
- Exit Strategy in place

The four local authorities have agreed the following process for the formal assessment of final SBCD business cases:

# FULL BUSINESS CASE APPROVAL PROCESS FOR AGREED SBCR CITY DEAL PROJECTS



v6.2

## 8.0 SBCD Programme Monitoring and Reporting



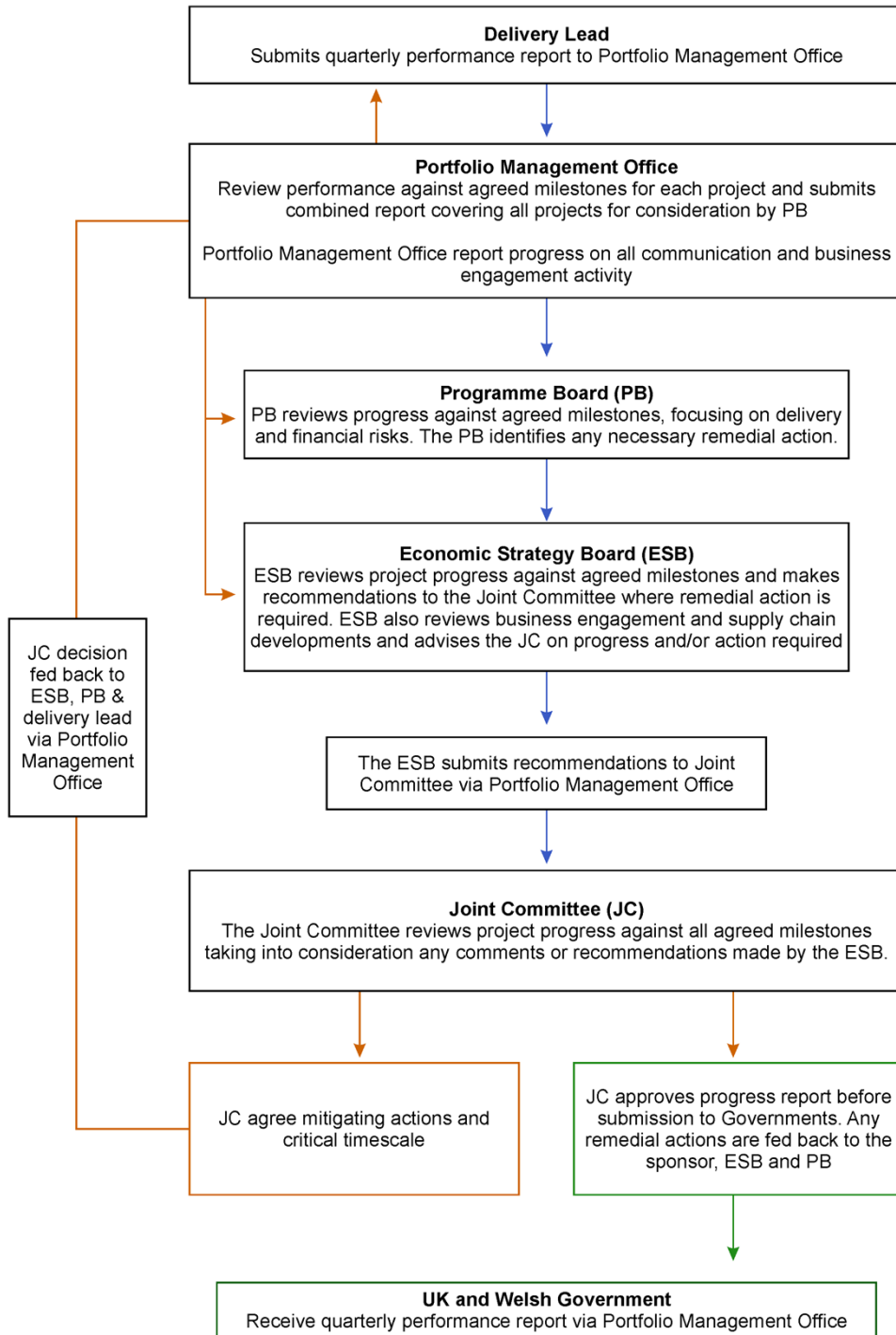
The Regional Office will have day to day responsibility for managing the monitoring and evaluation processes for projects. A robust monitoring and evaluation plan will be developed in conjunction with the UK and Welsh Governments, and agreed by the Joint Committee, which sets out the proposed approach to evaluating the impact of the Swansea Bay City Deal's delivery at programme level.

Key actions include:

- Developing a robust baseline
- Establishing a monitoring and evaluation framework including key milestones and timescales for review
- Setting up quarterly meetings with Project Delivery Leads and Regional/Project Authority Leads to discuss progress
- Regular performance reporting to Programme Board, Economic Strategy Board and Joint Committee.

All programme level reporting in relation to the City Deal and its associated projects will follow a process that has been agreed by the four local authorities. This is set out in the following chart:

# PROJECT MONITORING



v6.2

## 8.1 SBCD Joint Scrutiny Committee

As set out in the Joint Committee Agreement, the Joint Scrutiny Committee will provide a scrutiny function to ensure greater public accountability over decisions made by the Joint

Committee and any of its sub-committees/related entities. It has been agreed by the four Councils that Neath Port Talbot County Borough Council will be the lead authority to take responsibility for the scrutiny function responsibility and its administration.

The membership of the Joint Scrutiny Committee will consist of 12 members. Each of the Councils shall nominate three members for appointment to the Joint Scrutiny Committee. The member nominated by each Council shall be an elected member of that Council but shall not be a member of that Council's executive and shall not be a member of the Joint Committee. The Chair of the Joint Scrutiny Committee shall not be a member of the Council which is providing the Chair of the Joint Committee.

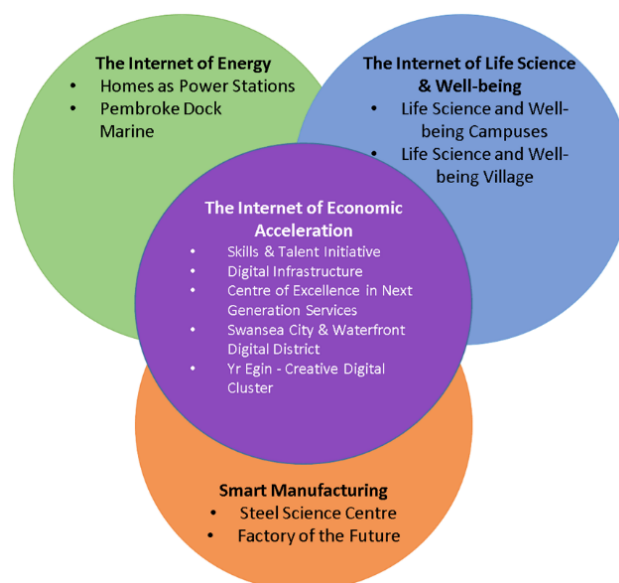
The role of the Joint Scrutiny Committee is to provide advice, challenge and support to the Joint Committee. The full terms and reference for the Joint Scrutiny Committee are set out in the Joint Committee Agreement.

The Joint Scrutiny Committee shall be required to:

- Review and scrutinise the Joint Committee's financial affairs
- Review and assess the Joint Committee's risk management, internal control and corporate governance arrangements
- Review and assess the economy, efficiency and effectiveness with which resources have been used
- Make reports and recommendations to the Joint Committee in relation to the points in 1 and 3 above

## **9.0 Swansea Bay City Deal Project Portfolio**

The Swansea Bay City Deal comprises a portfolio of projects across four inter-related themes. Each thematic project has been developed to integrate with existing cluster strengths and infrastructure, supporting development of next generation services and products. In parallel, rollout of cutting-edge digital infrastructure will be accelerated to support exploitation of new technologies and capabilities. This will be underpinned by a Skills & Talent Initiative that will put pathways in place for people across the region to access the thousands of high-skilled jobs the City Deal will create.



## 9.1 SBCD Theme - Internet of Economic Acceleration

Skills and Talent		
<b>Regional Project Authority Lead</b>	Carmarthenshire County Council	
<b>Project Delivery Lead</b>	Carmarthenshire County Council	
<b>Total Cost</b>	£30,000,000	<b>City Deal:</b> £10,000,000
<b>Description</b>	The Skills and Talent initiative, being led by the South West Wales Regional & Skills Partnership, will be a key component in ensuring that local people and businesses have the appropriate skills to benefit from each of the City Deal projects.	
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>
	<b>Business Case Development</b>	
	Initial draft business plan for consideration by RLSP Board	Qtr3 2017
	Initial draft Skills and Talent business plan shared with UKG/WG	Qtr4 2017
	Final review of draft business case by UKG / WG	Qtr1 2020
	Independent peer review	Qtr1 2020
	Business plan submitted to the 4 Councils	Qtr1 2020
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for approval of the project's submission to the UKG/WG	Qtr2 2020
	UKG/WG approval of the release of Government funding to the project	Qtr3 2020
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
	<b>Operational</b>	
	The potential for partners disengaging from the project could pose a risk to the achievement of some of the delivery outputs	The structure and constitution of the City Deal and the robust partnership within the RLSP. All partners are fully committed to the project, and the size and number of partners from all sectors significantly reduces this risk. Only if a whole sector were to withdraw would this risk be classed as high.
Lead times in the development of a new skills offer in the region / identifying the key skills and ensuring that Welsh	As one of the WG's three Regional Skills Partnerships, the RLSP is well-placed to support this development, with its annual submission of a Regional Employment and Skills Plan which is utilised to directly affect the allocation of funding to FE and apprenticeship provision.	

	Government agree to include the courses within future provision within FE and apprenticeships																																									
	Project activity overlapping or duplicating existing provision within the region	The RLSP provides a platform to work across the public, private and education sectors. This partnership will ensure that there is an appropriate and timely response to industry and emerging project demands, remaining relevant and effective while avoiding duplication or missed opportunities.																																								
	<b>Implementation</b>																																									
	Project management, leadership and control of the project to deliver the stated activities and results	Management, leadership and control of the project will benefit from the experience and expertise which exists across the partnership. The Partnership will establish clear lines of management responsibility, reporting and accountability from the outset.																																								
	Project does not meet the needs of the other SBCD projects	Early engagement with each of the SBCD project leads has taken place to map out skills need, and will continue alongside the design and delivery stages of each project.																																								
	Slippage to the project timescales	It is intended that management of all work detailed in the action plan will be subject to a regular, ongoing process of performance review by the RLSP Board in order to maintain progress in relation to the projected outputs and timelines. Where required, this will be reported through the SBCD programme governance structure.																																								
	<b>Financial</b>																																									
	Significant changes to the match funding package	The level of match funding levered will be monitored on a quarterly basis by the Project Delivery Lead and Project Local Authority Lead to ensure that it is line with the agreed financial profile.																																								
	Organisational and financial risks	The level of experience within the organisations involved in the Partnership is such that relatively high levels of knowledge, skills and experience in financial management and probity can be clearly demonstrated. This, coupled with regular performance reviews, will serve to minimise the financial risks associated with the project.																																								
<b>Financial Profile</b>		<table border="1"> <thead> <tr> <th></th> <th>2018/19 (£m)</th> <th>2019/20 (£m)</th> <th>2020/21 (£m)</th> <th>2021/22 (£m)</th> <th>2022/23 (£m)</th> <th>2023/24 (£m)</th> <th>TOTAL (£m)</th> </tr> </thead> <tbody> <tr> <td><b>City Deal</b></td> <td>0.25</td> <td>1.00</td> <td>1.50</td> <td>2.50</td> <td>2.50</td> <td>2.25</td> <td><b>10.00</b></td> </tr> <tr> <td><b>Public</b></td> <td>0.25</td> <td>1.00</td> <td>3.00</td> <td>4.00</td> <td>4.00</td> <td>3.75</td> <td><b>16.00</b></td> </tr> <tr> <td><b>Private</b></td> <td>-</td> <td>0.50</td> <td>0.50</td> <td>1.00</td> <td>1.00</td> <td>1.00</td> <td><b>4.00</b></td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>0.50</b></td> <td><b>2.50</b></td> <td><b>5.00</b></td> <td><b>7.50</b></td> <td><b>7.50</b></td> <td><b>7.00</b></td> <td><b>30.00</b></td> </tr> </tbody> </table>		2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	TOTAL (£m)	<b>City Deal</b>	0.25	1.00	1.50	2.50	2.50	2.25	<b>10.00</b>	<b>Public</b>	0.25	1.00	3.00	4.00	4.00	3.75	<b>16.00</b>	<b>Private</b>	-	0.50	0.50	1.00	1.00	1.00	<b>4.00</b>	<b>TOTAL</b>	<b>0.50</b>	<b>2.50</b>	<b>5.00</b>	<b>7.50</b>	<b>7.50</b>	<b>7.00</b>	<b>30.00</b>
	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	TOTAL (£m)																																			
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<b>TOTAL</b>	<b>0.50</b>	<b>2.50</b>	<b>5.00</b>	<b>7.50</b>	<b>7.50</b>	<b>7.00</b>	<b>30.00</b>																																			
<b>Constraints</b>	State Aid rules as they apply																																									
<b>Dependencies</b>	Continued core funding from Welsh Government for the RLSP Revenue support for the project from the local authorities																																									

<b>Regional Project Authority Lead</b>	Carmarthenshire County Council		
<b>Project Delivery Lead</b>	Carmarthenshire County Council		
<b>Total Cost</b>	£55,000,000	<b>City Deal</b>	£25,000,000
<b>Description</b>	<p>A regional state-of-the-art digital infrastructure will be implemented to support each of the City Deal strategic themes and projects. The project will consist of three elements - Transport Corridor, Rural and Connected City. Together these components will:</p> <ul style="list-style-type: none"> <li>• Create digital infrastructure including gigabit fibre and the establishment of 5G testbeds that will enable innovation and entrepreneurship within the region</li> <li>• Expand the provision of 4G and Wi-Fi capabilities to benefit both urban and rural areas</li> <li>• Develop digital infrastructure for key sectors including energy, manufacturing and life sciences</li> </ul>		
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>	
	<b>Business Case Development</b>		
	Project Scope Set	Qtr1 2018	
	Consultant appointed to develop full 5 case business plan based on agreed scope / outline proposal	Qtr4 2018	
	Initial draft version 5 case business plan shared with UKG / WG	Qtr1 2020	
	Independent peer review	Qtr1 2020	
	Business case submitted to 4 Councils	Qtr2 2020	
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for approval of the project submission to the UKG/WG	Qtr2 2020	
	UKG/WG approval of the release of Government funding to the project	Qtr4 2020	
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>	
	Unsuccessful project delivery / Slippage in project delivery	Experienced project management and project delivery team in place from the outset. Project Implementation Plan to be agreed by all partners. Established robust monitoring and evaluation framework at project development stage to ensure programme and project delivery remains within agreed timescales and to ensure that all targeted project outputs and outcomes will be achieved.	
	Lack of commercial confidence	Robust governance structure will need to in place from the outset to carefully manage both governance and commercial risks.	
	Project not sustainable	Project will develop a sustainable business model. On-going dialogue with key government, public sector officers and private sector organisations is key. Sustainability is an integral part of this project, so early engagement with operators/providers is embedded within the proposals.	
	Failure to secure full funding package	The digital plan will be implemented via partners through a competitive tendering process.	
	Non-compliance with State Aid Regulation and public procurement rules	Use is made of existing compliant procurement frameworks to enable speedier delivery. Different aspects of the project might entail different approaches.	

	Engagement/partnership with industry is unsuccessful.	Early engagement has already taken place with private sector and wider stakeholders as part of City Deal projects. Dialogue will be ongoing via the projects. Dedicated project manager appointed in December 2019.							
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>2024/25 (£m)</b>	<b>TOTAL (£m)</b>
	<b>City Deal</b>	-	-	0.50	9.00	9.00	5.50	1.00	<b>25.00</b>
	<b>Public</b>	-	-	2.50	3.00	3.00	2.50	2.50	<b>13.50</b>
	<b>Private</b>	-	-	-	5.50	5.50	4.50	1.00	<b>16.50</b>
	<b>TOTAL</b>	-	-	<b>3.00</b>	<b>17.50</b>	<b>17.50</b>	<b>12.50</b>	<b>4.50</b>	<b>55.00</b>
<b>Dependencies</b>	<p>Roll-out of UK and Wales-wide ICT policies and programmes.</p> <p>Alignment with Superfast Cymru is an important requirement.</p> <p>Engagement with service providers to gain an understanding of future plans and potential opportunities for the SBCD and Digital Infrastructure proposals is vital.</p> <p>The expectation is that the digital plan will be implemented through partner(s) via a competitive tendering process.</p>								

<b>Swansea City &amp; Waterfront Digital District</b>		
<b>Project Authority Lead</b>	Swansea Council	
<b>Project Delivery Lead</b>	Swansea Council	
<b>Total Cost</b>	£171,131,000	<b>City Deal</b> £50,000,000
<b>Description</b>	<p>The Swansea City and Waterfront Digital District will capitalise on the next generation connectivity available within the region, developing a vibrant and prosperous city centre that facilitates the growth of high-value ICT and digitally enabled sectors.</p> <p>The project includes a 3,500-capacity digital indoor arena, a digital square, a digital village for tech and digitally focussed businesses, and a box village and innovation precinct development for start-up businesses at the University of Wales Trinity Saint David SA1.</p>	
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>
	<b>Business Case Development</b>	
	Initial draft business case shared with UK/WG	Qtr4 2017
	Final review of draft version business case by UKG / WG	Qtr4 2018

	Business case submitted to Council	Qtr4 2018
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for approval of the project's submission to the UKG/WG	Qtr1 2019
	UKG/WG approval of the release of Government funding for the project	Qtr4 2019
	<b>Project Development</b>	
	<b>Milestone Activity - Box Village/Innovation Precinct</b>	
	Planning Submission	Qtr2 2020
	Detailed Design	Qtr4 2020
	Tender and Contractor Procurement	Qtr2 2021
	Construction	Qtr4 2021
	Fit Out	Qtr2 2023
	Completion and Occupation	Qtr2 2023
	<b>Milestone Activity - Digital Village</b>	
	Planning Submission	Qtr1 2020
	Detailed Design	Qtr1 2020
	Tender and Contractor Procurement	Qtr2 2020
	Construction	Qtr4 2020
	Fit Out	Qtr1 2021
	Completion and Occupation	Qtr2 2022
	<b>Milestone Activity - Digital Square &amp; Arena</b>	
	Outline planning consent granted	Qtr2 2017
	End of Design Stage 2	Qtr4 2017
	Arena Operator Contract Signed	Qtr1 2018
	Contractor Procurement	Qtr3 2018
	Construction	Qtr4 2019
	Arena construction complete	Qtr3 2021
	Arena open	Qtr4 2021
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
	<b>Development</b>	
	Failure to obtain relevant approvals	All approval processes for the project will be identified to allow sufficient time to prevent project timeline impacts. Dedicated team and



	organisation structure will further mitigate this risk. In addition, expert advice will be sought to ensure that all required approvals are captured.
Failure to agree project specification	Project will continue to work extensively with all key stakeholders to ensure that agreement on specification is achieved as a priority before progressing the project further.
Commercial floor space and other facilities do not meet the needs of start-ups and tech based businesses	Project has consulted with members of the targeted industries to establish needs. The project to continue to liaise with members of the industry to ensure that the evolving project delivers on key requirements at every stage, and to continuously monitor and proactively engage with the industry to ensure that needs are appropriately met in the operational phase on an on-going basis.
<b>Financial</b>	
Failure to secure funding package	Swansea Council and the University of Wales Trinity Saint David funding are committed. Ensure credible and robust business plan and financial profile is in place at outset. Written letters confirming all sources of funding to be in place at approval stage
Rise in construction costs	Ensure detailed costs are in place for the entire project at the outset. Allow for a suitable contingency. Detailed tender bids. Ensure experienced project manager is in place.
<b>Implementation</b>	
Delays in construction programme/ Project slippage	Ensure project team in place using recognised project management tools to enable the developments to be delivered on time. The project to proactively monitor construction progress and to work extensively with the principal contractor to minimise any disruption to the programme
Temporary traffic management failing	Project will ensure TM contractor aware of sensitivity of route and applies appropriate resources. Advance communications to 1st Responders to take into account the impact on emergency services and providing advance notice of restrictions. Involve transport team in a timely manner. Regular review of programme and timely information to Client.
<b>Operational</b>	
The commercial floor space and other facilities do not meet the needs of start-ups and tech-based businesses	Project continues to consult with members of the targeted industries to establish needs and to ensure that the evolving project delivers on key requirements at every stage. Project to continuously monitor and proactively engage with the industry to ensure that needs are appropriately met in the operational phase on an on-going basis
Lower than expected demand	The project is working extensively with potential tenants and occupiers to ensure that initial demand is sufficient. In addition, the project will be focused on supporting growth and successfully managing the success of the operational phase. Project to allocate sufficient resource to ensure that any period of lower than expected demand is successfully bridged
Failure to provide knowledge transfer and commercial opportunities	The University to adequately resource teams to ensure that knowledge transfer and the development of commercial opportunities are given adequate priority in terms of delivery
Focus on physical property aspects and the wider economic needs to	The projects are being developed in consultation with a wide range of public and private sector partners to understand demand in the market.

	support business creation and growth are not achieved	The schemes are also designed to meet the current and future needs of an innovative business community.					
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>TOTAL (£m)</b>
	<b>City Deal</b>	-	7.53	42.47	-	-	<b>50.00</b>
	<b>Public</b>	9.41	61.47	10.28	-	-	<b>81.16</b>
	<b>Private</b>	0.24	3.50	13.27	19.84	3.13	<b>39.97</b>
	<b>TOTAL</b>	<b>9.65</b>	<b>72.50</b>	<b>66.02</b>	<b>19.84</b>	<b>3.13</b>	<b>171.13</b>
<b>Dependencies</b>	<p>Planning consents</p> <p>The digital indoor arena and digital square features of this project form part of the overall Swansea Central regeneration plan.</p>						

<b>Yr Egin - Creative Digital Cluster</b>		
<b>Project Authority Lead</b>	Carmarthenshire County Council	
<b>Project Delivery Lead</b>	University of Wales Trinity Saint David	
<b>Total Cost</b>	£25,170,000	<b>City Deal</b> £5,000,000
<b>Description</b>	Yr Egin will create a digital and creative industry cluster in Carmarthen, joined by S4C as the key anchor tenant alongside other digital and creative media SMEs as tenants. The centre will create a clustering effect which will generate major and positive change to the creative and digital economy of Wales. This development will include business accelerator facilities and incubation, as well as shared spaces for interaction between each of the tenants, which will drive entrepreneurial development.	
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>
	<b>Business Case Development</b>	
	Initial draft version 5 case business plan shared with UKG/WG	Qtr4 2017
	Final review of draft version business case by UKG/WG	Qtr4 2018
	Business case submitted to the Council	Qtr4 2018
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for Approval of the project submission to the UKG/WG	Qtr1 2019
	UKG/WG approval of the release of Government Funding for the project	Qtr4 2019
	<b>Project Development</b>	

	Phase 1 Practical completion of construction	Qtr3 2018
	Phase 1 Occupation & official opening	Qtr4 2018
	Phase 2 Development of updated requirements (Refurbish/new build)	Qtr2 2020
	Phase 2 Detailed design	Qtr3 2020
	Phase 2 Approval to proceed (RIBA stages 3 and 4 design)	Qtr2 2021
	Phase 2 Planning submissions as required	Qtr4 2021
	Phase 2 Construction	Qtr3 2022
	Phase 2 Fit-out, completion and occupation	Qtr3 2023
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
	<b>Development</b>	
	Failure to agree project specification	The University will work extensively with all key stakeholders, including potential occupiers, to ensure that agreement on specification is achieved as a priority before progressing the project further.
	Failure to deliver the wider benefits identified in the business case	The project's Monitoring and Evaluation Plan to set out clear proposals of how and when the Project Lead is going to monitor the impact of the wider benefits as set out in the 5 case business model for Yr Egin. Project M & E Plan to be in place before funding is released to the project. Quarterly reporting to the Regional Office by the Project Lead and Local Authority Leads to highlight all changes to outputs, outcomes and milestones.
	<b>Implementation</b>	
	Failure to obtain relevant approvals	All approval processes for the project will be identified and approvals will be applied for with sufficient time to prevent project timeline impacts. The University's existing dedicated team and organisation structure will further mitigate this risk.
	Delays in construction programme	Phase one complete and occupied, with S4C as anchor tenant.  University to work closely with delivery partner for Phase 2 to ensure that any delays in construction programme are mitigated and avoided.
	Skills and capacity issues in terms of project delivery	The core project delivery team has been specifically appointed and retained to ensure that enough skill and capacity is available to deliver the Yr Egin project. The University will appoint third party specialists as required and will ensure that the project procurement process is competitive to encourage regional suppliers to engage.
	<b>Operational</b>	

	Lower than expected demand	The University has already seen a strong uptake with lettable space in Phase 1 and will work extensively to engage with prospective tenants for Phase 2. The University to also continuously review rent and service charge costs to ensure that Yr Egin remains highly competitive					
	Failure to provide knowledge transfer and commercial opportunities	The University has extensive experience and expertise in both knowledge transfer and the development of commercial opportunities. The University will adequately resource teams to ensure that both of these aspects are given adequate priority in terms of delivery.					
	Failure to meet industry needs	The University has undertaken extensive consultation to ensure that the Yr Egin project will match the requirements of the industry. Key stakeholder management to be undertaken extensively to ensure that the project continues to do so throughout phase 2 and beyond.					
	<b>Financial</b>						
	Failure to secure funding package	Ensure credible and robust detailed business plan and financial profile is in place at outset. Written letters confirming all sources of funding to be in place at approval stage					
	Rise in construction costs	Construction cost increases have been adequately anticipated through the use of third-party experts and will be integrated throughout the cost estimations for Yr Egin phases one and two. The University will continue to provide adequate contingency for any unexpected increases.					
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>TOTAL (£)</b>
	<b>City Deal</b>	-	3.00	2.00	-	-	<b>5.00</b>
	<b>Public</b>	11.52	-	0.50	1.72	1.58	<b>15.32</b>
	<b>Private</b>	3.35	-	-	-	1.50	<b>4.85</b>
	<b>TOTAL</b>	<b>14.87</b>	<b>3.00</b>	<b>2.50</b>	<b>1.72</b>	<b>3.08</b>	<b>25.17</b>
<b>Dependencies</b>	Planning consents						

## 9.2 SBCD Theme - Internet of Life Science and Well-being

### Life Science and Well-being Campuses

<b>Project Authority Lead</b>	City and County of Swansea		
<b>Project Delivery Lead</b>	Swansea University		
<b>Total Cost</b>	£45,000,000	<b>City Deal</b>	£15,000,000
<b>Description</b>	<p>The Campuses project will further develop the region's thriving life science sector to help prevent ill-health, develop better treatments and improve patient care. Advanced research and development facilities will be created, building on the success of the Institute of Life Science at Swansea University's Medical School.</p> <p>Collaboration between Swansea University and its industry and NHS partners will place the Campuses project at the forefront of new technologies to improve NHS care, while creating new life science companies and highly skilled jobs.</p> <p>Projects will include a facility at Swansea University's Singleton Campus, as well as a Morriston Campus where research will be undertaken alongside world-leading clinical delivery.</p>		
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>	
	<b>Business Case Development</b>		
	Review of Outline Business Case	Qtr1 2018	
	Completed options appraisal	Qtr1 2018	
	Draft Full Business Case	Qtr1 2019	
	Partner Review of FBC	Qtr1 2019	
	Initial draft version 5 case business plan shared with UKG / WG	Qtr2 2020	
	Final review of draft version business case by UKG / WG	Qtr2 2020	
	Business case submitted to the Council	Qtr3 2020	
	Independent peer review	Qtr3 2020	
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for Approval of the project submission to the UKG/WG	Qtr4 2020	
	UKG/WG approval of the release of Government Funding to the project	Qtr1 2021	
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>	
	<b>Development</b>		
	Failure to ensure stakeholder buy-in to project concept	Project to have regular engagement with key stakeholders including Swansea Bay University Health Board, Swansea University, private sector and SBCD Programme Board and Joint Committee.	

	Delay in Swansea University decision making and internal governance procedures	Reviewed at SU project development board regularly.						
	<b>Implementation</b>							
	Procurement delays	Make use of existing procurement frameworks.						
	Appropriateness of partnering arrangements	Make use of existing procurement frameworks.						
	<b>Operational</b>							
	Project fails to meet City Deal outputs	Project M&E Plan in place at project start. Regular review and monitoring - loHWB leadership.						
	Operation of new facilities - laboratory environments	Integrate with existing operations.						
	Failure to secure commercial tenants	End user discussions taking place.						
	<b>Financial</b>							
	Failure to secure funding package	Ensure credible and robust detailed business plan and financial profile is in place at outset. Written letters confirming all sources of funding to be in place at approval stage						
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>Total (£m)</b>
	<b>City Deal</b>	-	2.50	2.50	5.00	5.00	-	<b>15.00</b>
	<b>Public</b>	-	5.00	10.00	5.00	-	-	<b>20.00</b>
	<b>Private</b>	-	2.00	2.00	2.00	2.00	2.00	<b>10.00</b>
	<b>TOTAL</b>	-	<b>9.50</b>	<b>14.50</b>	<b>12.00</b>	<b>7.00</b>	<b>2.00</b>	<b>45.00</b>
<b>Dependencies</b>	Planning Consent							

<b>Life Science and Well-being Village</b>			
<b>Project Authority Lead</b>	Carmarthenshire County Council		
<b>Project Delivery Lead</b>	Carmarthenshire County Council		
<b>Total Cost</b>	£212,750,000	<b>City Deal</b>	£40,000,000

<b>Description</b>	<p>The project will provide a Life Science and Well-being Village along the Llanelli coastline, bringing together health, leisure, business and research.</p> <p>The largest ever regeneration project in South West Wales, it aims to improve the health and well-being of people across the region, creating around 1,800 high-quality, well-paid jobs and boosting the economy by £467 million over 15 years.</p> <p>The project includes:</p> <ul style="list-style-type: none"> <li>• A Wellness Hub incorporating a new 'state-of-the-art' sports and leisure centre</li> <li>• A Community Health Hub with features including a clinical delivery centre offering a range of health and well-being services; a business development centre providing incubation and acceleration facilities for life science sector business start-ups, research, development; and a well-being skills centre with facilities for education and training.</li> <li>• Assisted living spaces in a range of accommodation types for people of all ages. This will include a nursing home, extra care facilities and supported living accommodation. The aim is to promote independence, enhanced through the use of the latest supported living technologies by specialist research and development companies based on site.</li> <li>• A wellness hotel offering a range of relaxation opportunities to improve wellness.</li> <li>• Housing developments that will include elements of affordable and social housing</li> </ul>	
<b>Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>
<b>Business Case Development</b>		
Outline planning consent awarded		Qtr3 2019
Revised business case submitted to executive board at the council		Qtr4 2019
Independent peer review		Qtr4 2019
Revised business case submitted to Economic Strategy Board and Programme Board		Qtr4 2019
Revised business case submitted to Joint Committee		Qtr4 2019
UKG/WG approval of the release of Government funding to the project		Qtr1 2020
<b>Project Development</b>		
Ground investigation preparatory works on site		Qtr3 2019
Information memorandum to financial markets to secure institutional funding		Qtr4 2019
New branding launch for project		Qtr1 2020
Procurement of principal contractor		Qtr1 2020
Start of main construction works on site		Qtr3 2020
Completion of zone one		Qtr2 2022

Risks	Description	Mitigation						
	Site planning – environmental, ecological, land and other infrastructure planning issues could potentially delay the project or, as a worst case scenario, result in project cessation	External consultants have been engaged to undertake a range of environmental studies required to evidence a planning application and to detail any remedial action required.						
	Partner communication and understanding	A full Communications and Engagement Strategy has been prepared, which prescribes early and frequent public involvement in the development of the Village and wherever a change to existing service configuration is proposed. Engagement will continue in line with both statutory and best practice guidelines.						
	Revenue streams	Business planning is underway with the Health Boards to achieve a revenue neutral solution with a projection of revenue savings over the 15-year City Deal programme.						
	Failure to achieve a whole site vision to maximise benefits	The complexity of the aims and the range of partners required to develop this integrated network brings significant challenges with it. The Project Board and PMO to ensure that private, public and third sector partners are engaged and that opportunities for joint working and facilities provision are maximised.						
	Health provision - inability to provide a modern, sustainable workforce to deliver to full service specification	Accredited training programmes developed on site will proactively interface with schools and colleges and will be designed to meet the needs for modernised work programmes, providing a retained and sustainable health workforce.						
Financial Profile		2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	TOTAL (£m)
	<b>City Deal</b>	0.49	1.23	18.87	18.87	0.56	-	<b>40.00</b>
	<b>Public</b>	0.74	1.23	21.27	21.27	0.76	-	<b>45.25</b>
	<b>Private</b>	-	-	15.00	63.50	42.00	7.00	<b>127.50</b>
	<b>TOTAL</b>	<b>1.22</b>	<b>2.45</b>	<b>55.14</b>	<b>103.64</b>	<b>43.31</b>	<b>7.00</b>	<b>212.75</b>
Dependencies	Planning Consent							



### 9.3 SBCD Theme - Internet of Energy

Homes as Power Stations			
<b>Regional Project Authority Lead</b>	Neath Port Talbot County Borough Council		
<b>Project Delivery Lead</b>	Neath Port Talbot County Borough Council		
<b>Total Cost</b>	£517,050,000	<b>City Deal:</b>	£15,000,000
<b>Description:</b>	<p>The project will create a new housing industry based around innovative and sustainable energy generation, combined with storage and efficiency. New technologies developed will be applied within the region, allowing homes and buildings to generate, store and release their own energy. The project will undertake new house building and retrofit programmes which will utilise such technologies whilst developing new supply chains in this sector. The project will also address fuel poverty, which remains a persistent challenge for many communities across the region. The project will also focus on broadband internet connections and smart metering, with support from the Digital Infrastructure project.</p>		
<b>Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>	
	<b>Business Case Development</b>		
	Initial draft Strategic Case shared with RO	Qtr3 2018	
	Initial draft business case shared with UKG/WG	Qtr1 2019	
	Policy workshops held with UKG/WG	Qtr2, Qtr 3 2019	
	Independent peer review	Qtr1 2020	
	Business case submitted to the 4 Councils	Qtr1 2020	
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for Approval of the project submission to the UKG/WG	Qtr1 2020	
	UKG/WG approval of the release of Government funding to the project	Qtr1 2020	
	<b>Project Development</b>		
	Regional Social Landlord engagement	Qtr4 2017	
	Initiated pathfinder/proof of concept development at Neath (Hafod Site)	Qtr4 2017	
	Regional Stakeholder Workshops	Qtr1 2018	

	Regional Local Authority Steering and Working Group established to coordinate the regional activity at scale	Qtr2 2018
	Consultants engaged to assist in development of the 5 case business model	Qtr2 2018
	Planning approved for Hafod Site (Due to commence on site)	Qtr3 2018
	Work complete on pathfinder site in Hafod, Neath	Qtr4 2019
	Establish the programme infrastructure; procure the independent organisation that will undertake the monitoring and evaluation; baseline the programme; integrate existing/related project activity; ensure the development of 200 new builds and 250 retrofits in line with the HAPS specifications.	Qtr2 2020 to Qtr2 2021
	Undertake an interim evaluation and ensure that any recommendations are integrated into the programme; continue with new builds and retrofits (supported by financial incentives); initiate the supply chain development fund (including the business grant scheme) supported by business teams from the participating local authorities.	Qtr2 2021 to Qtr2 2022
	Continue with new builds and retrofits through to the end of the programme; ensure that the supply chain is robust and sustainable for the future; showcase the programme to Welsh and UK interests; commence the final monitoring and evaluation, and implement the exit strategy.	Qtr2 2022 to Qtr2 2024
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
	<b>Development</b>	
	Land costs and availability	Project to ensure that local authorities provide a land bank.
	Supply chain development	Robust supply chain strategy and on-going industry engagement plan in place.
	Approved design specification	Development and implementation of holistic, flexible, industry approved design standards.
	<b>Operational</b>	
	Supply chain capacity and capability	Robust supply chain strategy and on-going industry engagement plan to be in place.
	Appropriate land availability	Ensure that local authorities provide a sizeable land bank.
	Not achieving new build targets	Ensure effective programme planning.
	Insufficient capacity to deliver the programme	Ensure that the right levels of skills and experience are in place. This includes an experienced regional project team and manager, as well as robust stakeholder management/ coordination.
	<b>Financial</b>	
	Failure to secure funding package	Ensure credible and robust detailed business plan and financial profile is in place at outset.

	Significant changes in the funding package, including public and private sector match funding.	Ensure commitment of match funding partners through signed partner funding letters in place at project approval stage. The delivery profile and associated match funding components to be monitored on a regular basis to ensure that it is in line with the agreed financial profile.							
	<b>Implementation</b>								
	Deliverability of HAPS within the City Deal programme timeframe.	Detailed time bound project delivery proposals for HAPS to be set out in the 5 case business model							
	Slippage including delays in procurement / delivering contracts	All work detailed in the programme plan will be subject to a regular, on-going process of performance review. The benefits realisation plan will also be monitored and reviewed on a regular basis.							
	Project management to deliver the agreed activities and results.	Dedicated project management and delivery team to be appointed at the outset of the project to ensure effective implementation of the programme.							
	Complex nature of retrofit	Robust and detailed implementation and delivery plan will be formulated to ensure that an approved and tested retrofit approach is set in place.							
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>2024/25 (£m)</b>	<b>TOTAL (£m)</b>
	<b>City Deal</b>	-	-	2.00	4.00	5.00	3.75	0.25	<b>15.00</b>
	<b>Public</b>	6.43	14.08	22.95	31.90	43.80	-	-	<b>119.15</b>
	<b>Private</b>	23.08	47.68	73.05	102.60	136.50	-	-	<b>382.90</b>
	<b>TOTAL</b>	<b>29.50</b>	<b>61.75</b>	<b>98.00</b>	<b>138.50</b>	<b>185.30</b>	<b>3.75</b>	<b>0.25</b>	<b>517.05</b>
<b>Dependencies</b>	Availability of sizeable local authority land banks across the region Planning Consents								

<b>Pembroke Dock Marine</b>			
<b>Project Authority Lead</b>	Pembrokeshire County Council		
<b>Project Delivery Lead</b>	Milford Haven Port Authority		
<b>Total Cost</b>	£60,470,905	<b>City Deal</b>	£28,000,000
<b>Description</b>	Helping considerably boost the region's blue economy, this project will include:		

	<ul style="list-style-type: none"> <li>• The development of a Marine Energy Test Area (META) utilising the deep port of Milford Haven</li> <li>• A Marine Energy Engineering Centre of Excellence (MEECE)</li> <li>• Infrastructure improvements to Pembroke Port</li> <li>• A Pembrokeshire Demonstration Zone (PDZ) for wave energy developers</li> </ul> <p>By creating a cluster of resources, knowledge and capabilities, Pembroke Dock Marine will accelerate technology development, enhancing the sector's success and ensuring continued investment and development in test sites on a regional, Welsh and UK scale.</p>	
<b>Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>
	<b>Business Case Development</b>	
	Initial draft business case shared with UKG / WG	Qtr4 2017
	Revised business case shared with UKG / WG	Qtr3 2018
	Final review of draft version business case by UKG / WG	Qtr2 2019
	Independent peer review	Qtr4 2019
	Business case submitted to the Council	Qtr4 2019
	Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for approval of the project submission to the UKG/WG	Qtr4 2019
	UKG/WG approval of the release of Government funding to the project	Qtr1 2020
	<b>Project development</b>	
	<b>Pembroke Dock infrastructure</b>	
	Planning permission, CPO and consents	Qtr1 2019
	Construction phase area 1 (Hangar annexes)	Qtr2 2019 to Qtr4 2020
	Construction phase area 2 (Amenity and pocket park)	Qtr2 2019 to Qtr4 2020
	Construction phase areas 3, 4 and 5 (Slipway and berthing)	Qtr2 2019 to Qtr2 2023
	Construction phase areas 6, 7, 8 and 9 (land prep at south of site and pickling pond)	Qtr3 2020 to Qtr4 2021
	Construction phase area 10 (Graving dock)	Qtr1 2022 to Qtr4 2023
Construction phase areas 11, 12 and 13 (levelling, transportation corridor and light fab shed construction)	Qtr3 2023 to Qtr4 2024	

	Operation to fullest extent	Qtr1 2025 onwards
	<b>Marine Energy Test Area (META)</b>	
	Site identification	Qtr1 2018
	Site management	Qtr1 2018 to Qtr4 2022
	Consenting and leasing	Qtr2 2019
	Official opening of phase one	Qtr3 2019
	Legacy operation	Qtr1 2023 onwards
	<b>Pembrokeshire Demonstration Zone (PDZ)</b>	
	Project preparation and procurement	Qtr1 2020
	Consenting, EIA and surveys	Qtr1 2020 to Qtr2 2023
	Grid connection preparations	Qtr4 2020
	FEED and site investigations	Qtr1 2020 to Qtr3 2023
	Site resource data	Qtr1 2020 Qtr3 2023
	Seabed lease	Qtr4 2019 to Qtr3 2023
	Delivery strategy	Qtr4 2019 to Qtr3 2023
	Project management	Qtr3 2019 to Qtr1 2024
	Phase 3 commencement (Enabled by SBCD)	Qtr2 2024
	<b>Marine Energy Engineering Centre of Excellence (MEECE)</b>	
	Mobilisation	Qtr3 2018 to Qtr1 2019
	Delivery	Qtr2 2019 to Qtr4 2024
	Legacy operation	Qtr1 2025 onwards
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
	<b>Development &amp; Delivery</b>	

	One or more of the 4 PDM project partners withdraws from the project	Memorandum of Understanding/SLA to be signed by each of the 4 project partners and to be in place at the outset of the PDM project. This document to be approved by the Project Authority Lead. Funding approval letter in place between Project Lead and Project Authority Lead.							
	<b>Development</b>								
	Environmental/ecological/archaeological constraints	Project to appoint specialist planning consultant to work with relevant planning/consenting agencies and ensure any findings and necessary mitigating measures are incorporated into outline planning application report							
	<b>Implementation</b>								
	Deliverability of PDM within the City Deal programme timeframe.	Detailed time bound project delivery proposals for 4 elements of PDM to be set out in the 5 case business model.							
	Delay/failure to secure required consents	Early engagement with consenting authorities and key stakeholders. Project to appoint specialist consultants where appropriate. Ensure key consent milestones and interdependencies are included in project schedule and monitored closely. Project to carry out comprehensive surveys, where appropriate, and include findings and necessary mitigating measures in consent applications							
	Failure to ensure stakeholder buy-in to project concept	Project engaging with local community through public exhibitions and liaison groups, for example, to ensure that stakeholders are fully informed of impacts and there is opportunity for concerns to be addressed where possible.							
	<b>Operational</b>								
	Failure to attract developers/end users	Project partners to undertake market research to assess need and identify end user requirements.							
	<b>Financial</b>								
	Failure to secure funding package	Ensure credible and robust detailed business plan and financial profile is in place at outset. Written letters confirming all sources of funding to be in place at approval stage							
	Increase in design and construction costs	Ensure detailed costs in place for the all 4 elements of this project. Prepare tender in line with agreed budgets. Ensure project manager is in place from outset. Allow for a suitable contingency in the financial profile.							
<b>Financial Profile</b>		<b>2018/19 (£m)</b>	<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>2024/25 (£m)</b>	<b>TOTAL (£m)</b>
	<b>City Deal</b>	-	-	2.28	3.47	5.49	9.73	7.04	<b>28.00</b>
	<b>Public</b>	0.49	0.89	3.26	5.42	4.83	3.80	0.33	<b>19.02</b>
	<b>Private</b>	-	0.63	0.41	1.54	3.18	6.16	1.53	<b>13.45</b>

	<b>TOTAL</b>	<b>0.49</b>	<b>1.53</b>	<b>5.95</b>	<b>10.43</b>	<b>13.49</b>	<b>19.68</b>	<b>8.90</b>	<b>60.47</b>
<b>Constraints</b>	State Aid rules								
<b>Dependencies</b>	There are 4 elements to this project, each led by a different organisation. ERDF funding for PDI, MEECE, & PDZ. Planning Consents								

<b>Supporting Innovation and Low Carbon Growth</b>			
<b>Project Authority Lead</b>	Neath Port Talbot County Borough Council		
<b>Project Delivery Lead</b>	Neath Port Talbot County Borough Council		
<b>Total Cost</b>	£60,400,000	<b>City Deal</b>	£47.7 million
<b>Description</b>	<p>Focussed on innovation, zero-carbon fuel and the future of steel, the project is made up of four elements:</p> <ol style="list-style-type: none"> <li>1. The Swansea Bay Technology Centre – An energy positive building that will provide office space for start-ups and local businesses, while also transmitting excess energy from solar and other renewable means to the nearby Hydrogen Centre. This energy will then be used to make zero-carbon fuel for council vehicles.</li> <li>2. A National Steel Innovation Centre that aims to support the steel industry in Port Talbot and Wales. Research and development will be anchored into future steel-making across the region to further reduce carbon emissions.</li> <li>3. Decarbonisation – Work with the FLEXIS research operation on a series of other projects, including the Swansea Bay Technology Centre/Hydrogen Centre energy link, establishing an electric vehicle charging route map, and air quality modelling and real-time monitoring.</li> <li>4. Industrial Futures – This will address the gap between demand and supply to business and available land in the Port Talbot Waterfront Enterprise Zone, with a hybrid building providing production units with office space to support start-ups and indigenous businesses - especially those in the innovation and manufacturing sectors. There will also be laboratory space supported by Industry Wales for spin-outs to monetise research and development projects, as well as land remediation, flood defence work, construction of access roads and upgrading of highways.</li> </ol>		
<b>Key Milestones</b>	<b>Activity</b>	<b>Date (using calendar year)</b>	

<b>Business Case Development</b>	
Business case approved by NPT council cabinet	Qtr3 2019
Independent peer review	Qtr4 2019
Business case submitted to Economic Strategy Board, Programme Board and Joint Committee for approval of the project submission to the UKG/WG	Qtr4 2019
UKG/WG approval of the release of Government funding to the project	Qtr1 2020
<b>Project Development</b>	
<b>Swansea Bay Technology Centre</b>	
Two-stage design and build contract award	Qtr3 2019
Pre-Application Consultation (PAC)	Qtr1 2020
Technical design	Qtr2 2020
Full planning consent	Qtr2 2020
Construction start	Qtr2 2020
Construction complete	Qtr3 2021
<b>National Steel Innovation Centre</b>	
Site confirmation	Qtr4 2019
Tender period two stage-procurement (Design and build)	Qtr1 2020
Pre-Application Consultation (PAC)	Qtr4 2020
Full planning consent	Qtr1 2021
Start construction	Qtr2 2021
Construction complete	Qtr3 2022
<b>Decarbonisation</b>	
Purchase and install air quality monitors	Qtr4 2019
Monitor air quality via data analytics	Qtr1 2020
Start work with key partners on evidence-based electric vehicle charging strategy	Qtr1 2020
Mobilisation of electric link between Swansea Bay Technology Centre and Hydrogen Centre	Qtr3 2021
Development of commercial strategy	Qtr1 2022
<b>Industrial futures</b>	

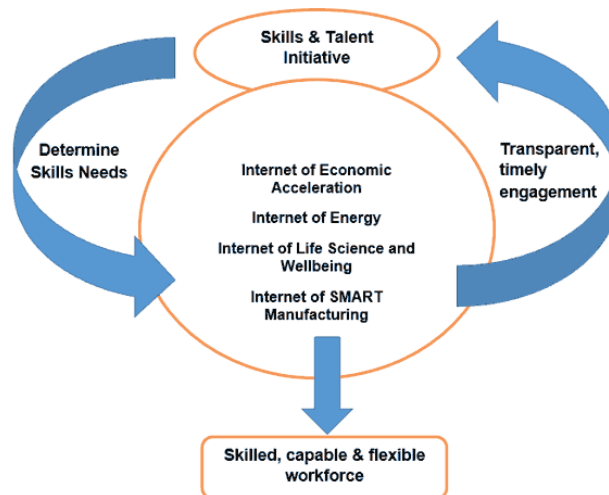


	Start of two-stage design and procurement process for production facility	Qtr1 2020					
	Start of two-stage design and procurement process for R&D innovation and growth facility	Qtr1 2020					
	Opening of three-year Property Development Fund scheme	Qtr2 2020					
	Completion of production facility construction	Qtr4 2021					
	Completion of R&D innovation and growth facility construction	Qtr4 2021					
<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>					
	<b>Development</b>						
	Delay in planning conditions / consent	Early engagement with stakeholders and consent authorities to raise any issues early on.					
	Delay in procurement of contractors	Utilise existing procurement frameworks. Early engagement with contractors to identify issues which may cause delay and require specialist input. Monitor and review progress of contractor throughout procurement process.					
	<b>Operational</b>						
	New centres do not suit end-user needs	Regular design meetings involving end-users at initial design and fit-out stage. Early identification of supply chain.					
	<b>Financial</b>						
Failure to secure funding package	Ensure credible and robust detailed business plan and financial profile is in place at outset. Written letters confirming all sources of funding to be in place at approval stage.						
<b>Financial Profile</b>		<b>2019/20 (£m)</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>TOTAL (£m)</b>
	<b>City Deal</b>	0.50	14.40	24.20	8.55	0.05	<b>47.70</b>
	<b>Public</b>		2.00	2.00	2.00	1.70	<b>7.70</b>
	<b>Private</b>		1.50	1.50	1.50	0.50	<b>5.00</b>
	<b>TOTAL</b>	<b>0.50</b>	<b>17.90</b>	<b>27.70</b>	<b>12.05</b>	<b>2.25</b>	<b>60.40</b>
<b>Dependencies</b>	Planning consents						

## **10.0 Interdependencies & Project Synergies**

### **10.1 Interdependencies**

#### **Interdependence 1 - The SBCD Skills and Talent Initiative Project & *The Internet Coast***



The aim of the City Deal proposal is to create an uplift in GVA, helping close the ever-increasing gap between regional and national averages. In order to achieve this, the development of a workforce that is capable, responsive and skilled is key. The portfolio of City Deal projects share this commonality in objective and each will create opportunities for the region's current and future workforce.

The Skills and Talent Initiative will be instrumental in determining the skills needs of the other projects and, in turn, will support regional education providers to deliver the skills solutions required. It is anticipated that skills will broadly be required in, but not limited to, the areas of ICT and digital, health, manufacturing and engineering, aligning closely to the four themes of the SBCD programme. There will be opportunities for the transferability of skills between projects and therefore across the region, creating a thriving talent base.

Undeniably, underpinning each of the projects, therefore, is skills and talent, a theme that runs strongly throughout and which will determine the overall success of the City Deal Programme. The right people with the right skills, available in the region at the right time, is the most important consideration and challenge for the City Deal. Without a strong, capable and flexible workforce the SBCD would struggle to deliver programme outcomes and therefore not have the transformational effect it aims to achieve.

A further key determinant of success is the preparedness and capability of future generations to capitalise on the opportunities presented by the proposal. The Skills & Talent Initiative recognises the importance of younger generations being well-informed. This will help create a sustainable pipeline of talent which is ready and able to both support and further develop the future economy of the Swansea Bay City Region.

It is therefore the intention of the Skills & Talent Initiative to foster the themes of entrepreneurship and digital innovation, given their strategic importance to the Swansea Bay City Deal Programme, and to work with key stakeholders to align provision to these key themes. As such, these two areas will be focussed on in schools and, increasingly so, in further and higher education institutions.

In addition, there is opportunity for synergy in terms of skills between the four themes at a more specific level. Energy, Life Science & Well-being and Smart Manufacturing are of critical strategic importance in their own right, but through the City Deal they are interconnected and mutually supportive.

The 21<sup>st</sup> Century is a multidisciplinary age which transcends sectors, with the majority of innovative solutions to the most pressing challenges residing in the collision of disciplines. The further and higher education institutions operating within the region already have an exemplary offer of provision within these areas. Aligning their offer more closely to the specific needs of the City Deal and identifying where there are opportunities for multi-disciplinary teaching will create skilled individuals with the transferable skills needed to work across the region.

### **Interdependence 2 - The Internet of Economic Acceleration and its Constituent Projects**

The proposal and its constituent projects are built on a solid foundation characterised by an advanced digital infrastructure. A lack of an effective and reliable next generation digital infrastructure will hinder the development and exploitation of new technologies and capabilities which could negatively impact the success of key projects. The level of interdependency varies across the projects, with some relying on digital elements more than others.

Primarily, the successful implementation of the Digital Infrastructure project will allow for the establishment of 5G testbeds that will enable innovation and entrepreneurship. These are themes that are especially crucial for Yr Egin, the Swansea City and Waterfront Digital District and the Industrial Futures element of the Supporting Innovation and Low Carbon Growth programme. A lack of these testbeds would create significant barriers to the attraction and retention of talent, businesses, key industry leaders and inward investment to the area which are crucial to the success of those projects.

### **Interdependence 3 - The Internet of Economic Acceleration and the Internet of Energy**

An innovative digital infrastructure is particularly pertinent for the Homes as Power Stations project. Imperative to the proposal is the utilisation of the internet to create innovative and sustainable energy generation. Combined with storage and efficiency, this will be supported by the use of smart metering. The effective use of smart metering is integral to the proposal as it will allow users to manage their own energy usage, while also assisting in the measurement of the efficiencies achieved.

Advanced, innovative digital infrastructure will also accelerate the delivery and evaluation of marine energy solutions forming part of the Pembroke Dock Marine project, while also assisting the decarbonisation elements of Neath Port Talbot's Supporting Innovation and Low Carbon Growth programme, which includes real-time air quality modelling and monitoring as well as enhanced charging infrastructure for electric vehicles.

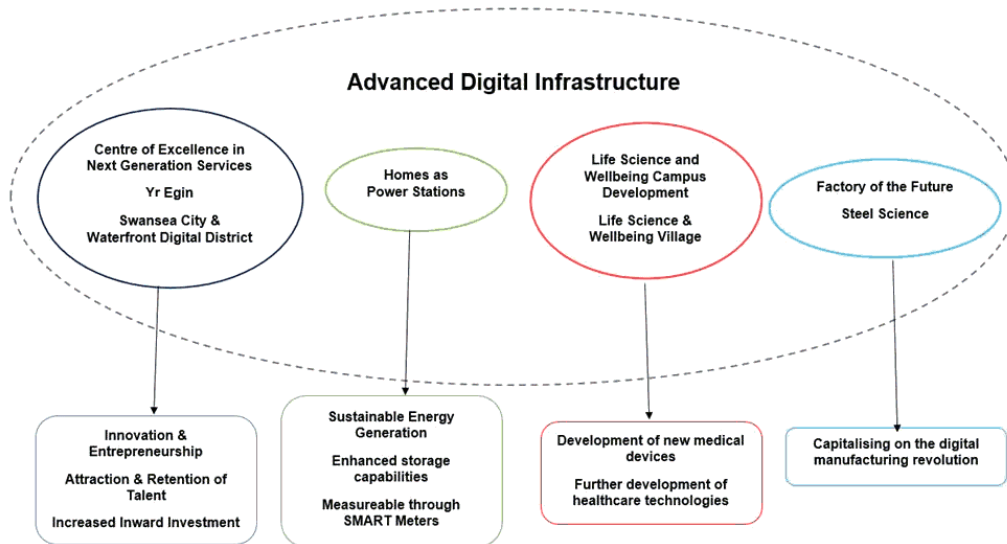
### **Interdependence 4 - The Internet of Economic Acceleration and the Internet of Life Science and Well-being**

The developments proposed by both the Life Science and Wellbeing Campus and Village projects are heavily reliant on an innovative digital infrastructure. A lack of this infrastructure would impact on the development of new medical devices and healthcare technologies forming part of these projects.

### **Interdependence 5 - The Internet of Economic Acceleration and Smart Manufacturing**

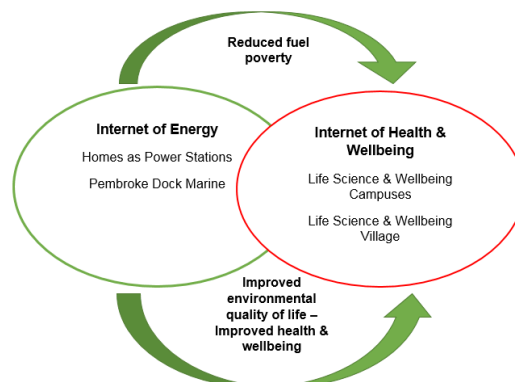
Manufacturing elements of the Supporting Innovation and Low Carbon Growth programme, including the Steel Science project, are reliant on the use of next generation technologies.

These technologies – which will further advance and emerge in coming years - include cyber-physical systems, the internet of things, cloud computing and cognitive computing. These are all elements that require a strong digital infrastructure to capitalise on continual advancements in digital manufacturing.



## 10.2 Synergies

### Synergy 1 - Energy and Life Science & Wellbeing



The economic well-being of Wales has been historically reliant on the strength of heavy industry and traditional manufacturing.

But with the gradual decline of these industries in recent decades, far greater emphasis is now placed on fostering economic growth, development and social inclusion, while ensuring natural assets continue to provide resources on which our well-being relies.

This further emphasises the importance of the green economy as a key component within the City Deal portfolio, with the investment programme's four themes closely aligning to well-being, the environment, manufacturing and economic growth.

The environmental and resource productivity of the economy is strongly linked to Homes as Power Stations, Pembroke Dock Marine and the decarbonisation elements of the Supporting Innovation and Low Carbon Growth programme, with all aiming to produce and promote sustainable energy.

The production of green energy has a positive impact on the environment as it generates little if any of the water and air pollution associated with traditional fossil fuels which costs public health services an estimated \$74.6 billion a year, according to a Harvard University study.

This shows how green energy can directly affect the health and well-being of individuals living and working in the region by reducing the risk of cardiovascular and respiratory diseases associated with traditional energy production. This direct link creates synergy with the Life Science and Well-being Campus and Life Science and Well-being Village projects.

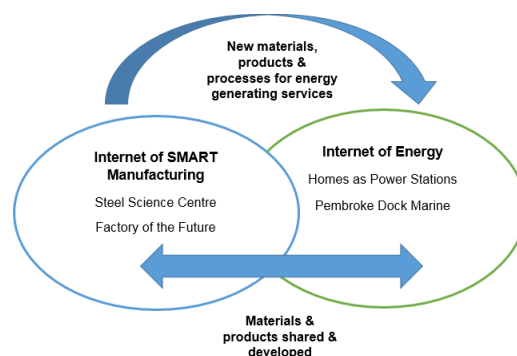
The Homes as Power Stations project will also help tackle fuel poverty, which has an impact on health and well-being. Research forming part of the project will create an evidence base in support of disruptive innovation to meet this objective.

Synergies between energy and life science & well-being can also be evidenced by the Supporting Innovation and Low Carbon Growth programme in Neath Port Talbot.

The programme's focus on decarbonisation and improving air quality will lead to environmental benefits in Neath Port Talbot and beyond that will boost the health and well-being of contemporary residents and generations to come.

Also forming part of the programme is a drive to encourage greater uptake of electric vehicles, which will lead to environmental benefits throughout the region and elsewhere. This will place South West Wales at the heart of global innovation as an example of best practice for embracing this kind of technology as a conduit to environmental improvements.

## Synergy 2 - Energy and Smart Manufacturing

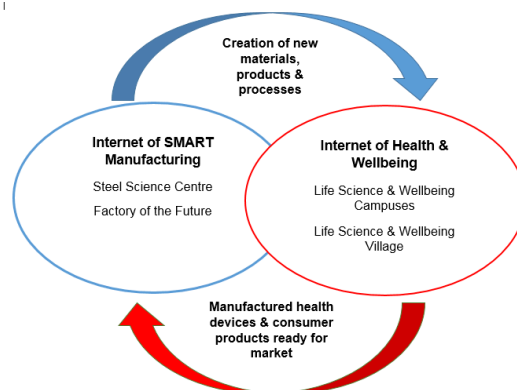


The Steel Science project will be in a prime position to have a significant impact on the Green Growth agenda. As well as developing and implementing ultra-low carbon steel making technologies, the new materials, products and processes created at the Centre will provide the opportunity to radically rethink the built environment for energy generating services. This will improve the regional natural asset base, helping promote the implementation of good environmental management in primary industries. This substantiates its synergy to Homes as Power Stations and Pembroke Dock Marine where materials and products may be shared and developed.

Furthermore, the Pembroke Dock Marine programme builds on momentum already under way regionally, in developing innovative marine energy solutions. This technology will require a local manufacturing base which builds upon the heavy engineering and steel generating capability of the region. Additionally, Homes as Power Stations provides the opportunity to expand existing pilot activities across the UK steel sector. This extends from smart coatings on steel substrates through to innovative storage and control.

As part of Neath Port Talbot’s Supporting Innovation and Low Carbon Growth programme, excess energy from solar and other renewable technologies at the Swansea Bay Technology Centre will be converted into hydrogen at the nearby Hydrogen Centre to fuel hydrogen vehicles.

### Synergy 3 - SMART Manufacturing and Life Science & Well-Being



The connections between manufacturing and life science and well-being are long-established but the introduction of smart life science and smart manufacturing have placed more importance on this relationship in recent years. The Life Science and Well-being Campus, the Life Science and Well-being Village and the Steel Science projects are those which illustrate the greatest alignment.

The region already has examples of Life Science and Well-being innovation created locally, manufactured locally and exported from the region to global markets. Examples include therapeutic devices, diagnostic devices and consumer products.

The Steel Science Centre will create new materials, products and processes, many of which will have applications in life science & well-being. This will provide the opportunity to shape the development of intelligent sterile environments, supporting disruptive technologies for telehealth like smart wearables and intelligent dressings.

The demand for next generation healthcare and smarter ways of manufacturing highlights the parallels between the two. They are both areas in transformation where new opportunities in IT to meet demands are creating more opportunities for closer working.

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**SBCD ACTICA Review Recommendations – Progress Summary**

**January, 2020**

Tudalen 73

<b>Recommendation:</b>	Pre-scrutiny should be encouraged but direct and regular face-to-face contact between those writing the Business Cases and those providing comment upon them and advising those who will grant approval is essential.	<b>Status:</b>	Ongoing	
		<b>Pending</b>	<b>Scheduled</b>	<b>Complete</b>
<b>Activity:</b>	<ul style="list-style-type: none"> <li>• Policy Day – Yr Egin &amp; Digital District Projects with UK and Welsh Government</li> <li>• Second ESB Workshop with Pembroke Dock Marine</li> <li>• Regional Office teleconference with NPT re: Homes as Powerstations project</li> <li>• Digital Infrastructure Project Team Meeting with Digital Leads</li> <li>• ESB meeting with NPT Leader and Chief Executive re: new NPT projects</li> <li>• ESB meeting with PCC Leader and Chief Executive re: Pembroke Dock Marine</li> <li>• ESB review of Pembroke Dock Marine project</li> <li>• ESB 121 meetings with Sharon Burford re Wellness Project developments</li> <li>• Policy Day – Homes as Power Stations with UK and Welsh Government</li> <li>• ESB presentation on Wellness project developments</li> <li>• Appointment of accredited “Better Business Case” consultant to conduct peer review of Pembroke Dock Marine</li> <li>• Policy Day – Supporting Innovation &amp; Low Carbon Growth with UK and Welsh Government</li> <li>• Policy Day – Skills &amp; Talent with UK and Welsh Government</li> <li>• Digital leads review of Digital Infrastructure Business Case</li> <li>• ESB Supporting Innovation and Low Carbon Growth Introductory Session</li> <li>• Digital leads 121 business case reviews</li> <li>• Second Policy Day – Homes as Powerstations with UK and Welsh Government</li> <li>• ESB Site Visit to Homes as Powerstations</li> <li>• ESB Review of Homes as Powerstations</li> <li>• Monthly Catch Up’s between Regional Office, Welsh and UK Government</li> </ul>	02.20	Ongoing	21.03.19 25.04.19 25.04.19 07.05.19 07.05.19 21.05.19 25.06.19 07.19 25.07.19 30.07.19 09.19 06.09.19 20.09.19 24.09.19 08.10.19 03.12.19 26.11.19 26.11.19

<b>Comments:</b>			
<ul style="list-style-type: none"> <li>A series of face to face sessions have been arranged between the ESB and project leads. A forward work programme of similar sessions with other projects has been developed and reflects the anticipated progress of each project in terms of readiness for review and approval.</li> <li>Several initial and follow on face to face sessions have been arranged between both governments and project leads for the most advanced.</li> <li>For projects that are approved / nearing approval this action is <b>complete</b> however ongoing activity is required to replicate for the other City Deal projects.</li> </ul>			
<b>Recommendation:</b>	The Regional Office should be designated as a Portfolio Management Office, leavening their skills with experienced Portfolio/Programme/Project Management (P3M) specialists.	<b>Status:</b>	Pending
		<b>Pending</b>	<b>Scheduled</b>
			<b>Complete</b>
<b>Activity:</b>			
<ul style="list-style-type: none"> <li>Draft PMO structure designed</li> <li>Interim remodelled budget agreed to incorporate potential costs for new PMO structure</li> <li>Appoint consultant to undertake stock take of current City Deal projects to ensure portfolio approach is in place. Work to be funded through additional resources funding from Welsh Government.</li> </ul>			
		01.20	08.19 10.09.19
<b>Comments:</b>			
<ul style="list-style-type: none"> <li>This recommendation has been endorsed by Joint Committee and a draft structure and associated costs have been developed and approved.</li> <li>Once the Programme Director is appointed they will review the draft structure and budget to ensure the PMO is fit for purpose in delivering the City Deal.</li> </ul>			
<b>Recommendation:</b>	The City Team should (with the support of the Welsh Government Assurance Hub and IPA as necessary) put in place a best practice Integrated Assurance and Approval Plan (IAAP) for the Portfolio. All parties should specifically consider the OGC Gateway™ Review process as a key part of that plan.	<b>Status:</b>	Pending
		<b>Pending</b>	<b>Scheduled</b>
			<b>Complete</b>
<b>Activity:</b>			
<ul style="list-style-type: none"> <li>Appoint consultant to develop an IAAP for the SBCD, funded through additional resources funding from Welsh Government</li> </ul>			
		01.20	
<b>Comments:</b>			
<ul style="list-style-type: none"> <li>The IAAP will be reviewed and implemented by the new Programme Director when in post.</li> </ul>			

<b>Recommendation:</b>	Under the chair of the JSC each SBCD board should consider the TORs and ways of working of each to ensure that they work as intended. In doing so they should take account of this review and of the outcome of the audits currently being undertaken.	<b>Status:</b>	Complete
		<b>Pending</b>	<b>Scheduled</b>
<b>Activity:</b>			
<ul style="list-style-type: none"> <li>• ESB review of terms of reference in relation to findings of two SBCD reviews</li> <li>• Joint Committee consider amendments to JCA (including TOR)</li> <li>• Joint Committee agree actions to progress revisions to JCA</li> <li>• Programme Board to develop action plan for implementing review recommendations including updating of TOR terms of reference for governance groups as part of JCA revisions</li> <li>• Monitoring officer and regional counterparts to update TOR for governance groups</li> <li>• Consideration of revised TOR and JCA by UK and Welsh Government</li> <li>• Joint Committee approve revisions to JCA including changes to TOR for each element of the Governance structure</li> <li>• ESB to approve revisions to TOR</li> <li>• All Councils to approve revisions to JCA</li> <li>• Revised JCA submitted to Governments for agreement</li> </ul>			23.06.19 28.05.19 28.05.19 11.07.19  07.19 08.19 30.07.19  08.10.19 10.10.19  11.19
<b>Comments:</b>			
<ul style="list-style-type: none"> <li>• Each board has reviewed their terms of reference and ways of working</li> <li>• Relevant updates to terms of reference have been made and incorporated in to the revised Joint Committee Agreement approved by Joint Committee in July 2019.</li> </ul>			
<b>Recommendation:</b>	A Portfolio Director should be appointed before May 2019 to ensure continuity of Swansea Bay City Deal leadership and independent authoritative advice to the Boards.	<b>Status:</b>	In progress
		<b>Pending</b>	<b>Scheduled</b>
<b>Activity:</b>			
<ul style="list-style-type: none"> <li>• Joint Committee to agree employing authority for Programme Director</li> <li>• Joint Committee to agree reporting structure for Programme Director</li> <li>• Design Job Description for Programme Director</li> </ul>			28.05.19 28.05.19 06.19



<ul style="list-style-type: none"> <li>• Announcement of project approvals</li> <li>• Develop draft funding agreement WG and Accountable Body</li> <li>• Develop draft funding agreement between Accountable Body and Project Authority Leads</li> <li>• Finalise funding agreements</li> <li>• Issue and agreement of associated terms and conditions</li> </ul>	01.20		07.19 08.19 09.19 12.19
<p><b>Comments:</b> Awaiting receipt of terms and conditions in order to allow flow of funding to the region</p>			

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## SBCD Governance Review Recommendations – Action Plan

### Internal Regional Review

REF	Recommendation	Action	Timescale	Progress Update – January 2020
IR1	Redistribution of roles and functions to ensure an equitable balance across the SBCD Partnership, each acting as a check and balance for the other	See XR4 - External Review Tab		See XR4 - External Review Tab
IR2	Appointment of an independent Programme Director, securing the independence of the Lead Officer responsible for the Regional Office with a direct reporting line to the Joint Committee. Reconsideration of the funding arrangement for the RO could enable the associated costs to be contained within existing commitments	See XR4 - External Review Tab		See XR4 - External Review Tab
IR3	The local approach to the delivery of the SBCD projects needs to take account of the interdependencies across the Programme. Consideration should also be given to contingency plans if Government funding is withdrawn at a later date.	Establish Portfolio Management Office (PMO) to ensure the SBCD is managed as a portfolio of projects (XR2)		See XR2 - External Review Tab
		Ensure SBCD is managed as a Portfolio (XR6)		See XR6 - External Review Tab
		Accountable body to work with Welsh Government, Project Authority Leads, Project Leads and, where appropriate, external lawyers to develop funding agreements / terms and conditions to incorporate necessary contingency plans.	Jul 19 / ongoing	Currently awaiting draft terms and conditions from Welsh Government in relation to the first two projects. Standard templates for the funding agreement between the Accountable Body and the Project Authority Lead and the funding agreement between the Project Authority Lead and Project Lead are currently being developed.
IR4	The Implementation Plan needs to be revised so that delivery of the projects is prioritised and approved by the Joint Committee. The Implementation Plan should be supported by a clear Programme Financial Plan and Risk Register before being resubmitted to UK & WG for approval. The Implementation Plan should form the basis for monitoring delivery of the Programme.	Update Implementation Plan	Mar-19	Complete
		Identify next tranche of priority projects	Mar-19	Agreement at Programme Board on 20.09.19 that tranching will be fluid to reflect project developments
		Submit updated Implementation Plan to Govs	Mar-19	Complete
		Ensure Risk Register is reviewed regularly.	Ongoing	Complete
IR5	The Joint Committee, as a conduit for regeneration of the Region, needs to further establish its own identity in terms of overarching standard operating principles, values and expected practice. Key areas for consideration are highlighted within the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016 for such a Partnership	Agree and establish overarching operating principles	Aug-19	
		PD / PMO to ensure all aspects of the SBCD governance structure are familiar with and operating in accordance with the agreed overarching operating principles.	Oct-19	No further update
		Ensure PMO receive any training as required to achieve	Oct-19 onwards	No further update
IR6	If the iterative process continues to cause a bottleneck once standards have been addressed, then there should be an approach to UK & WG to reconsider the process to eliminate disproportionate effort by all parties and to ensure that focus is on the deliverability of outcomes and not only on the standard of written documents. The relationship between individual LA's, project leads, the Regional Office and UK and WG's should be recast to establish strict communication lines. Such communication is currently inconsistent and is clearly contributing to confusion and delay.	See XR1 - External Review Tab		See XR1 - External Review Tab
		See IR8 below		See IR8 below

IR7	The Programme Board, Economic Strategy Board (ESB) and Joint Committee should receive written assurance (in a format to be agreed) that each business case submitted for approval has been subject to the required checks and process as defined within the JCA, including approval by the Lead Local Authority. This should ensure that all comments from UK & WG have been addressed and concerns highlighted by the ESB have been fully considered. There should be an evidence trail to ensure all parties are held accountable.	Develop a checklist to accompany future business case submission for formal review to all committees	Mar-19	Complete
IR8	The Regional Office, in its capacity as the SBCD Delivery Team should undertake detailed checks prior to entering into the iterative process or submitting to Programme Board and ESB, to ensure compliance with standard operating principles/values and provide an overview of the outcome of these checks, in order to provide independent assurance to the Programme Board and Joint Committee.	Review current iterative / informal review process and identify any opportunities for improvement.	Aug-19	New review process established and trialled to varying degrees with Pembroke Dock Marine, Homes as Power Stations and Supporting Innovation and Low Carbon Growth.
IR9	Membership and remit of the Programme Board and ESB needs to be reconsidered	See XR4 - External Review Tab		See XR4 - External Review Tab
IR9a	Programme Board needs to undertake detailed analysis of the financial viability, deliverability and risks to the project. The Programme Board should have detailed knowledge of the business cases and the feedback from UK & Welsh Government to ensure that business cases are of the standard and quality to be submitted for approval to Joint Committee. Current membership includes the Chief Executives of the four Local Authorities: this may be too onerous a commitment for the Chief Executives. Consideration should be given to the most suitable level of Management to commit to Programme Board (possibly Director or appropriate Head of Service ), consideration should be given to including a Section 151 Officer to provide financial scrutiny and challenge and appearance of lead project officers to present the case.			
IR9b	The ESB membership needs to be streamlined to enable a well functioning commercially minded appraisal function that is focused on identifying further opportunities for the Region and attracting inward investment. Current membership includes the Leaders of the four Local Authorities, which seems impractical given the ESB report to the Joint Committee. Consideration should be given to limiting membership of the ESB to the Private Sector, supported by Life Science & Wellbeing and Further/Higher Education representatives, and the Regional Office Lead. There is an opportunity for the ESB to provide UK & WG with the confidence that is currently lacking around the commercial case; consideration could be given to including a summary report from the ESB with the Full Business Case submission.			



**For reference:- ACTICA Independent Review**

Ref	Recommendation	Urgency	Action	Updated Timescale	Progress Update – January 2020
XR1	Pre-scrutiny should be encouraged but direct and regular face-to-face contact between those writing the Business Cases and those providing comment upon them and advising those who will grant approval is essential.	Urgent by end March 2019	Arrange review sessions with Economic Strategy Board and Project leads as projects progress through business case development	n/a	No further update
			Arrange review sessions with Governments and Project Leads as projects progress through business case development	n/a	Policy session held with Skills and Talent project held on 20.09.10.
			Ensure reviewers have early sight of completed draft full business cases	n/a	Digital leads review of Digital Infrastructure Business Case – Complete (24.09.19)
XR2	The Regional Office should be designated as a Portfolio Management Office, leveraging their skills with experienced Portfolio/Programme/Project Management (P3M) specialists.	Important by end June 2019	Establish portfolio management office under new Portfolio Director	Dec-19	Programme director applications closed 7th October. Shortlisting completed October 2019. Interviews scheduled for early Dec
			Develop new PMO structure	Oct-19	No further update
			Review and agree budget to facilitate new PMO	Jul-19	No further update
XR3	The City Team should (with the support of the Welsh Government Assurance Hub and IPA as necessary) put in place a best practice Integrated Assurance and Approval Plan (IAAP) for the Portfolio. All parties should specifically consider the OGC Gateway™ Review process as a key part of that plan.	Important by end March 2019	New Portfolio Director and PMO to consider relevance of Gateway Review Process	Oct-19	Additional £100k resource funding from Welsh Government is used, in part, to fund the development of an IAAP.
XR4	Under the chair of the JSC each SBCD board should consider the TORs and ways of working of each to ensure that they work as intended. In doing so they should take account of this review and of the outcome of the audits currently being undertaken.	Important by end March 2019	Each board to review TOR's and agree any changes	Jun-19	Complete
			Review and agree distribution of functions	Jun-19	Complete
			Update JCA to reflect any changes	End of June 2019	Complete
			Develop process for and invite EOIs from potential advisors to supplement and broaden the role of the ESB	Jun-19	Complete
			Advertise for specialist advisors the ESB	Jul-19	Complete - shortlisting of applications completed 08.10.19, informal interviews to be held Jan 20
XR5	A Portfolio Director should be appointed before May 2019 to ensure continuity of Swansea Bay City Deal leadership and independent authoritative advice to the Boards.	Urgent by end April 2019	Develop and agree job description	Jun-19	Complete
			Identify and agree salary and associated budget		Complete
			Advertise post	Jun-19	Complete
			Identify appointments panel	Jul-19	Complete
XR6	The SBCD should be managed as a Portfolio not as a set of predetermined and immutable projects.	Important by end June 2019	Establish portfolio management office under new Portfolio Director	n/a ongoing	No further update
XR7	For Yr Egin and Swansea Waterfront, the two business cases which we consider are close to final approval, senior UK Government and Welsh Government and Local Authority officials should aim to reach a swift conclusion to ensure that funding can flow as needed.	Immediate	Continue to push for immediate sign off of the first two business cases and release of the first £31m of City Deal funding.	Dec-19	Funding agreement and terms and conditions agreed

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Key
New Issue
Resolved since last update
Ongoing Issues

## SBCD Project Issue Log – November 2019

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.

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Skills and Talent				
Issue	Description	Owner	Implications	Action / Update
Business Case Development	Working with new Government officials on a revised approach to business planning	WG / UKG	Delay in business case / funding approval will mean that the skills training required for other projects which have received approval may either not be progressed or be progressed at risk.	Skills and Talent project identified as a Tranche 2 project for development at Joint Committee on 28 <sup>th</sup> March 2019. Project due for submission to Joint Committee for decision by end of April, 2020.

Digital Infrastructure				
Issue	Description	Owner	Implications	Action / Update
Project management resource	Dedicated digital project manager is required. Identified project leads in each of the partner organisations is also required.	Project lead authority	Pace of delivery will be compromised without a digital project manager.	A project manager is due to be appointed in December, 2019. Project due for submission to Joint Committee for decision by end of April, 2020.

Swansea Waterfront and Digital District				
Issue	Description	Owner	Implications	Action / Update
Funding approval	Approval of Council funding is dependent on Government sign-off of City Deal business case.	SBCD / UKG / WG	Delay to approval of City Deal funding will impact on the delivery timescales for the projects	Business case formally submitted to UK and Welsh Government following approval by Joint Committee on 28 <sup>th</sup> March 2019. Approval in principle secured but funding yet to be released.

Yr Egin - Creative Digital Cluster				
Issue	Description	Owner	Implications	Action / Update
Funding approval	Yr Egin phase one has been completed and is fully occupied	SBCD / UKG / WG	Delay in approval of City Deal funding will increasingly impact on project delivery timetable for phase 2.	Business case formally submitted to UK and Welsh Government following approval by Joint Committee on 28 <sup>th</sup> March 2019. Approval in principle secured but funding yet to be released.

### Centre of Excellence in Next Generation Services (CENGs)

Issue	Description	Owner	Implications	Action / Update
Project Review	Project being reviewed by Neath Port Talbot Council	NPT Council	Project may be amended or substituted with alternative scheme	CENGs no longer forms part of NPT's revised programme of projects

### Life Science and Well-being Campuses

Issue	Description	Owner	Implications	Action / Update
None reported as at November 1, 2019				

### Life Science and Well-being Village

Issue	Description	Owner	Implications	Action / Update
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	Chair of Joint Committee confirmed at JC meeting on 28 <sup>th</sup> March 2019 that no City Deal project is on hold following completion of reviews. Revised business case to be submitted to Joint Committee in early 2020.
Negative perception of project	Reputational risks owing to sustained media coverage linking to the ongoing investigation in Swansea University to the proposals for the Village.	Project lead / SBCD	Potential decline in interest by investors, service providers and general public	Proposals to rebrand Village project under development and will soon be launched. Information memorandum issued to a shortlist of financial institutions in November, 2019
Flood notice	Lifting of 'stop notice' in response to flood modelling	Project lead	Delay in project delivery	WG have removed the 'stop notice' in July, 2019. Outline planning consent awarded in August, 2019

### Homes as Power Stations

Issue	Description	Owner	Implications	Action / Update
Funding approval	Funding assurance required to support match funding bids for ERDF and IHP funding	SBCD / UKG / WG	Until formal approval of City Deal business case is received, project can only provide assurance in principle which may pose a risk to securing match funding	Homes as Power Stations project identified as a Tranche 2 project for development at Joint Committee on 28th March 2019. Homes as Power Stations due for decision by Joint Committee in early 2020.

### Pembroke Dock Marine

Issue	Description	Owner	Implications	Action / Update
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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.

Factory of the Future				
Issue	Description	Owner	Implications	Action / Update
Project defrayed	Following review by Neath Port Talbot Council this project has been defrayed for future consideration and does not form part of new business case proposals being put forward.	NPT Council	Project may be amended or substituted with alternative scheme	Elements of the 'Factory of the Future' project form part of Neath Port Talbot's revised programme of projects

Steel Science				
Issue	Description	Owner	Implications	Action / Update
Project Review	Project being reviewed by Neath Port Talbot Council	NPT Council	Project may be amended or substituted with alternative scheme	Steel Science project forms part of the revised 'Supporting Innovation and Low Carbon Growth' programme being led by NPT Council

Supporting Innovation and Low Carbon Growth				
Issue	Description	Owner	Implications	Action / Update
Project Review	Delays to programme being reviewed by NPT Council, ESB and City Deal governance structures	NPT Council/SBCD Regional Office	Delay to securing funding	ESB and Joint Committee due to consider programme of projects for decision 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 being supplied for consideration by ESB and JC

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## SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE

### FORWARD WORK PROGRAMME 2019 – 2020

<b>DATE OF MEETING</b>	<b>VENUE</b>	<b>ITEMS FOR REPORT</b>
November 2019	On site	<ul style="list-style-type: none"> <li>• Site Visit – HAPs</li> </ul>
2pm 15 January 2020	Carmarthen	<ul style="list-style-type: none"> <li>• Local Project update (Yr Egin, Life Science and Wellbeing Village.)</li> <li>• Update on the regional 'Digital Infrastructure' programme</li> <li>• Chancellor Elect of Swansea University re ongoing involvement on the Programme - Verbal Update</li> <li>• S 151 Officer :               <ul style="list-style-type: none"> <li>-Terms and Conditions from UK and Welsh Governments on the release of monies</li> <li>-Local Supply chain and procurement</li> </ul> </li> <li>• Progress against Action/Implementation Plan (s 151 officer and Programme Office.)</li> </ul> <p><b><u>Programme Monitoring (Standing Items)</u></b></p> <p>Action Plan            Implementation Plan            SBCD Programme Risk Register            SBCD Project Risk Register            SBCD Project Issue Log</p>
2pm 9 March 2020	Pembroke	<ul style="list-style-type: none"> <li>• Local Project Update (Pembroke Dock Marine)</li> <li>• Project management training</li> <li>• Presentation by the recently appointed Managing Director</li> </ul>

		<p><b><u>Programme Monitoring (Standing Items)</u></b></p> <p>Action Plan  Implementation Plan  SBCD Programme Risk Register  SBCD Project Risk Register  SBCD Project Issue Log</p>
2pm 6 May 2020	Port Talbot	<ul style="list-style-type: none"> <li>• Local Project update</li> </ul> <p><b><u>Programme Monitoring (Standing Items)</u></b></p> <p>Action Plan  Implementation Plan  SBCD Programme Risk Register  SBCD Project Risk Register  SBCD Project Issue Log</p>