

# Swansea Bay City Deal

## Construction impact assessment summary report



<b>Date</b>	January 2023
<b>Version</b>	V5.0

## Construction Impact Assessment Summary Report

### 1.0 Introduction

The purpose of the combined risk/issues assessment and impact assessment is to highlight and quantify the specific risks/issues currently being experienced throughout the construction industry. SBCD Programme Board and Joint Committee have requested that all programmes and projects assess their current status and ongoing monitoring with regards the potential impact these construction challenges will have on the successful delivery of the portfolio and the constituent programmes and projects.

### 2.0 Returns

As of 14<sup>th</sup> October 2022 following multiple discussions and requests for completion of the SBCD construction impact assessment, below is the status of returns.

<b>Programme/Project</b>	<b>Status of Return</b>
Swansea Waterfront	Complete
Swansea Campuses	Complete
SILCG	No Update
Skills and Talent	Nil return – not currently a direct issue
Yr Egin Phase 2	Nil return – current review of delivery strategy and strategic alignment will complete within next few months once strategy complete and approved.
Pentre Awel	Complete
PDM	Complete
Digital infrastructure	Nil return – on-going BC updates will complete within next few months once BC updates complete.
HaPs	Nil return

### 3.0 Construction impact assessment (CIA) Requirements

The CIA has been developed with 9 key questions listed below, whilst providing projects the opportunity to highlight specific risks or issues under question 10:

		<b>Identify as Risk or Issue</b>
	<b><u>People</u></b>	
1	Decreased available labour and/or suitable subcontractors and suppliers	
2	main contractor delivery/management team - skills and capacity issues in terms of project delivery	
	<b><u>Materials</u></b>	
3	Lack of availability of construction materials	
4	Quality of materials (due to lack of stock of preferred option)	
	<b><u>Finance</u></b>	

5	Rising construction costs results in exceeding/increasing programme / project budget	
6	Contractor / subcontractor / supplier going bankrupt/experiencing financial difficulty	
	<b>Timelines</b>	
7	Delays in project programme due to traditional infrastructure project factors such as ground/weather/construction site issues etc.	
8	delay in obtaining relevant construction related / operational approvals	
	<b>Policy/political</b>	
9	revised industry/governmental statutory & mandatory requirements - including technological/policy/political advancements since initial planning phases	
	<b>Other</b>	
10	Please highlight any other risks/issues in relation to construction not highlighted above	

These questions are scored across 8 fields of potential impact of low/medium/high (probability x impact). The fields of impact are:

Scope and key objectives	Targets	Timescales	Reputation if project fails to deliver	Stakeholders/ partnerships commitment	Project costs	Procurement	Staff resourcing
--------------------------	---------	------------	--	---------------------------------------	---------------	-------------	------------------

Once completed the author must then identify mitigations that are/will be put in place along with any resource requirements in enacting these mitigations.

#### **4.0 Summary of Risks identified in returns**

Risks	Impact Field	Scope	Targets	Time	Reputation	Stakeholder/ Partnerships	Proj. Costs	Procurement	Resources
<b>Red</b>		<b>1</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>
<b>Amber</b>		<b>11</b>	<b>19</b>	<b>15</b>	<b>22</b>	<b>12</b>	<b>22</b>	<b>17</b>	<b>2</b>
<b>Green</b>		<b>27</b>	<b>20</b>	<b>18</b>	<b>17</b>	<b>27</b>	<b>11</b>	<b>22</b>	<b>37</b>

#### **5.0 Quantification of impact**

Once known the impact of these risks becoming issues will likely result in a change, the CIA has been developed so that all quantification links to the 5 categories of change derived in the SBCD change procedures, namely:

- Financial/costs
- Timescales
- Quality
- Programme and/or project benefits are impacted
- Portfolio benefits are impacted

## **6.0 Summary/status**

### **Areas of High concern**

There are currently 3 areas of high concern, these being:

- Scope
- Time
- Proj. costs

All of these areas will be continually monitored and over time as any issues arise along with associated change requirements, change notifications and change requests will be submitted to the PoMO and reported/escalated accordingly to stakeholders as per the SBCD change procedures.

### **Areas of Medium concern**

There are currently 3 areas of medium concern, these being:

- Delivery of targets
- Potential reputational damage
- Proj. costs

As projects and programmes develop, all areas of concern will continually be monitored through the construction impact assessment, in order to ensure that all change is reported, recorded, escalated and approved appropriately, any mitigations required are implemented and the overall success of outcomes, outputs and impacts are not affected.

In addition to the construction impact assessment, the PoMO have now also undertaken an assessment of the potential funding gap for the Portfolio. This was as a direct request of Programme (Portfolio) Board from July 2022. As a result, the PoMO have identified a forecast funding gap of around £31m. In future iterations of the construction impact assessment and funding gap assessment the PoMO will link both assessments and ensure that all actual funding gaps are accurately reported once known.