



Cyngor **Abertawe**
Swansea Council

Cabinet Office

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Councillor Tim Bowen
Vice Chair of Swansea Bay City Region
Joint Scrutiny Committee

Please ask for: Councillor Rob Stewart
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Our Ref: RS/JW
Your Ref:
Date: 12 March 2024

Dear Councillor Bowen

Thank you for your letter dated 21st February 2024 highlighting a perceived inconsistency with the use of GVA as a headline objective of the Swansea Bay City Deal.

The GVA objective was set in agreement with both Governments at the outset of the Deal in 2017. Due to the stated difficulties in measuring GVA at a project level, the decision was taken, in agreement with Governments that there would be no requirement to monitor GVA to the portfolio interventions.

The current headline GVA figure has been derived from the individual economic appraisals in each of the 9 headline business cases of the City Deal as an assessment of economic impact. They remain a valid headline objective as estimated economic impact following the successful delivery of the various projects and programmes. As business cases are further developed, revised economic appraisal information will be potentially utilised to estimate overall GVA impact.

As you indicate, it will not be possible to evidence and scrutinise the actual GVA impact. With recognition that regional GVA impact from a specific project would be incredibly difficult to measure given the much more substantial impacts on the economy, including the pandemic, international impacts of conflict and supply chain on UK economy including inflationary pressures.

To address this, the PoMO are working with all the project and programme teams to devise a suite of economic impact indicators that can be measured and attributed to the portfolio interventions. These indicators will form part of the SBCD Evaluation Framework that will be presented to Programme Board and Joint Committee shortly and will be available for scrutiny. Each project and programme will undertake formal evaluations of the impact of the delivery and operation of their interventions at agreed points in time. Portfolio evaluations will also be undertaken, utilising the project level evaluation information. These measurements will provide a quantifiable evidence base for the impact of the



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portfolio at stages within its delivery and at the end of the City Deal timeframe in 2033.

As we may not have an updated position for economic impact for some time due to appropriate timings of economic evaluations, GVA is the best economic impact estimate we can use at this point in time as a Portfolio investment objective. We also plan to still use GVA to promote the estimated economic impact within business cases, presentations and the SBCD website.

I trust this response satisfies members of Joint Scrutiny Committee that there is no inconsistency in the continued use of GVA as a headline objective and provides the assurance that economic impact will be measured and attributed to the SBCD portfolio.

Yours sincerely



**Y CYNGHORYDD/COUNCILLOR ROB STEWART
ARWEINYDD/LEADER**

