

Swansea Bay City Deal Portfolio Update

Economy, Infrastructure & Skills Committee

3rd March 2021



1. THE PORTFOLIO

The Swansea Bay City Deal (SBCD) was originally estimated to be an investment worth £1.3bn across a portfolio of 11 major programmes and projects throughout the Swansea Bay City Region. Since reprofiling in 2019, the portfolio now consists of nine programmes and projects with current investment estimated at £1.157bn. This investment is based on £235m from Welsh Government and UK Government (with £5m remaining unallocated), £396m other public investment and £637m from the private sector.

The impact of the portfolio is based on generating at least £1.8 billion GVA and providing at least 9,000 jobs to the region.

The investment and impact for the portfolio is summarised in the table below. Current forecasts show that the overall investment has reduced by 9% (£1.3bn to £1.157bn), while the estimated GVA has a 32% increase and jobs created a 2.8% increase from original estimates. It is important to note, however, that these headline figures are estimates and by nature are subject to change as project business cases reach full business case status and solutions are implemented.

Programme/Project	Investment (£m)				Impact (15 years)	
	City Deal	Public	Private	Total	GVA (£m)	Net Jobs
Swansea City & Waterfront Digital District	50.00	85.38	39.97	175.35	669.8	1,323
Yr Egin	5.00	19.17	1.5	25.67	89.5	427
Digital infrastructure	25.00	-	30	55.00	318	-
Skills and talent	10.00	16	4	30.00	-	-
Life Science & Well-being Campuses	15.00	20	10	45.00	153	1,120
Pentre Awel (Life Science & Well-being Village)	40.00	51	108.19	199.19	467	1,853
Homes as Power Stations	15.00	114.6	375.9	505.50	251	1,804
Pembroke Dock Marine	28.00	16.35	16.12	60.47	343.3	1,881
Supporting Innovation and Low Carbon Growth	47.70	7.7	6.11	61.51	93	1,320
TOTALS	235.70	330.20	591.79	1,157.68	2,384.60	9,728

Table 1. SBCD Portfolio Investment and Impact

The SBCD is in the process of updating its Portfolio Business Case (PoBC) for consideration by regional partners prior to submitting to the Welsh Government and UK Government for review and approval in March 2021.

2. GOVERNANCE STRUCTURES

The SBCD is led and delivered by eight key partners: Carmarthenshire County Council, Neath Port Talbot Council, Pembrokeshire Council, Swansea Council, Swansea University, the University of Wales Trinity Saint David, Swansea Bay University Health Board and Hywel Dda University Health Board; and in conjunction with private industry. The SBCD governance and delivery structure is outlined in Figure 1. below. This governance is operational with established Terms of Reference, membership/post holders, and plans and processes in place to govern and deliver the SBCD portfolio.

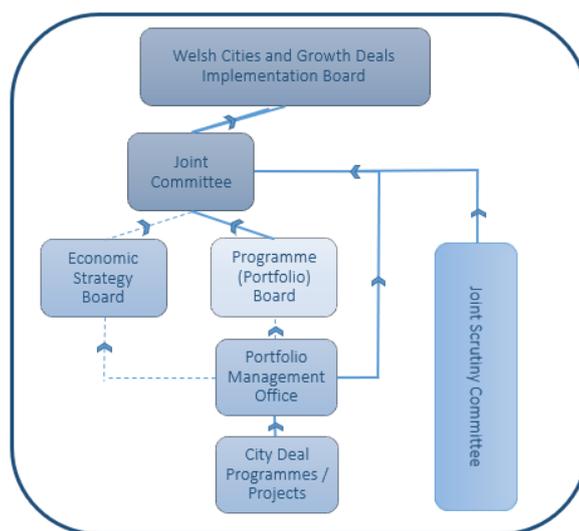


Figure 1. SBCD Governance Structure

The purpose of each of the governance arrangements is summarised in Table 2 below:

Governance	Purpose
Joint Committee	Executive board with overall responsibility for scrutiny and business case approvals. It holds the Programme (Portfolio) Board and SBCD Portfolio Management Office (PoMO) to account. Joint Committee comprises of the four Local Authority Leaders of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea.
Programme (Portfolio) Board	Oversees the operations of the SBCD. Responsible for reviewing business case developments and portfolio progress. Consists of the head of paid service of each of the eight primary partners for the SBCD and is chaired by the SBCD Senior Responsible Owner.
Senior Responsible Owner	Appointed by the Joint Committee in June 2020, the SRO is also the chairperson of the Programme (Portfolio) Board to champion the SBCD and drive its successful implementation by overseeing portfolio delivery and ensuring that appropriate governance arrangements are in place. The SRO holds the Portfolio Director to account.
Portfolio Director	Responsible for delivering the Portfolio Business Case and Project Development Roadmap.
Programme / Project Managers	Experienced individuals who manage the development of the programme / project business cases and implement assurance and approval plans and project plans. They also work with the Portfolio Director and PoMO to apply the Portfolio Development Roadmap. Depending on the size and complexity of the programme / project, the Programme / Project Manager will run the programme / project team and manage external advisers.
PoMO	The Portfolio Management Office (PoMO) is responsible for the day-to-day management of matters relating to the Joint Committee and the SBCD.

Economic Strategy Board	Private sector advisory body which acts as the voice of business. The ESB provides strategic direction for the City Deal through advice to the Joint Committee on matters relating to the City Region. The Chair is accountable to the Joint Committee.
Joint Scrutiny Committee	Provides advice, challenge and support to the Joint Committee for the SBCD Portfolio and associated cross-cutting regional projects/programmes. The full terms and reference for the Joint Scrutiny Committee are set out in the Joint Committee Agreement.
Accountable Body	Carmarthenshire County Council is the Accountable Body responsible for discharging City Deal obligations for the four Local Authorities including financial and staffing matters, for example. The Accountable Body is the primary interface for the City Deal with the Welsh Government and the UK Government.

Table 2. SBCD Governance Functions

The SBCD Portfolio Director started in post in March 2020 and is tasked with overseeing the successful delivery of the SBCD portfolio throughout South West Wales. This includes the successful securing of funding and the effective delivery and governance of all City Deal programmes and projects. Accountable to the City Deal’s Joint Committee and reporting to the City Deal’s Senior Responsible Owner (SRO), the Portfolio Director has established a Portfolio Management Office (PoMO).

The PoMO structure shown in Fig 2. below is responsible for the day-to-day management of matters relating to the Swansea Bay City Deal. In Q2 and Q3 of the 2020/21 financial year, the PoMO was strengthened with the appointments of four new roles:

- PoMO Manager
- Senior Portfolio Support Officer
- Portfolio Development Manager
- PoMO Assistant

These posts complemented the existing posts of Business Engagement Manager, Communications and Marketing Officer and Finance Manager, who were appointed prior to the Portfolio Director.

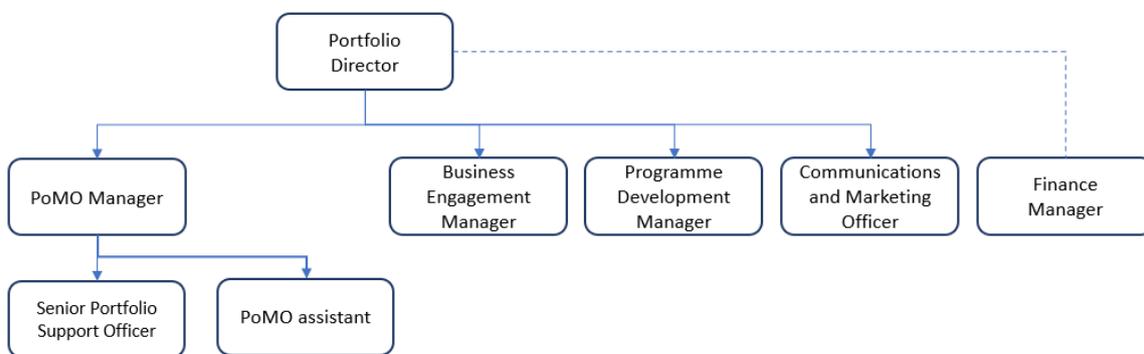


Figure 2. SBCD Portfolio Management Office Structure

The SBCD governance and assurance arrangements have advanced significantly in 2020. This is reflected in the satisfaction of the external and regional review recommendations on the SBCD and successful draw down of further City Deal funds from the Welsh Government and UK Government.

All governance committees have been established and are fully operational. Robust governance and approvals of the SBCD are through its people, structures, strategies and processes - all based on Portfolio, Programme and Project Management (P3M) practices and principles. Having these arrangements in place to consider how the SBCD manages business cases, organisation, quality, plans, risk, change and progress will overcome challenges by reducing complexity or increasing portfolio capability - and in doing so will require regular revisits to the strategic, economic, commercial and financial cases, along with analysis of the SBCD.

3. ASSURANCE AND APPROVALS

Gateway Reviews

The SBCD portfolio underwent a Gateway 0 external review during July 2020. The review returned an Amber Delivery Confidence Assessment and was generally very positive with three critical administrative issues needing urgent attention. Work to address these issues is now either complete, significantly advanced or subject to ongoing considerations.

Accounting Officer Review (AOR)

The Welsh Government and UK Government conducted an Accounting Officer Review (AOR) process in July-September 2020 to assure and review the SBCD Portfolio Business Case. The AOR process set out 15 recommendations which the SBCD PoMO is in the process of implementing. The AOR was undertaken as the initial approval process of the Business Case and subsequent drawdowns will be aligned to updating the Business Case with the next submission taking place in March 2021. By the end of March, the SBCD will have drawn down £36m in the last 12 months, taking total draw down to date of £54m of the £240m. The key actions undertaken to progress the AOR recommendations are:

- Strategic policy alignment mapped across all programmes and projects
- Portfolio Spending Objectives defined, and baseline agreed
- Portfolio Procurement Principles and requirements for Community Benefits agreed
- Portfolio Risk Management Strategy in place
- Portfolio Risk Register and Covid-19 Impact Assessment in place
- Change Control process approved
- Development of a suite of monitoring and performance reports
- PoMO work plan to support future drawdowns of City Deal funds

Integrated Assurance and Approval Plans (IAAP)

The PoMO has also been working closely with the Welsh Government's Office for Project Delivery to establish a Portfolio Integrated Assurance and Approval Plan (IAAP), to ensure that the planning, coordination and provision of assurance activities and approval points throughout the City Deal portfolio are proportionate to levels of cost and risk. All SBCD Programmes / Projects have also established an IAAP, which are shared with the appropriate governance structures.

SBCD Programme / Project Business Case Status

Programme / Project	Joint Committee Approval	Ministerial Approval
Pembroke Dock Marine	Nov-19	Jun-20
Yr Egin Phase 1	Nov-18	Jul-19
Swansea City & Waterfront Digital District	Nov-18	Oct-19
Digital Infrastructure	Dec-20	Submitted Dec-20
Pentre Awel	Nov-20	Submitted Nov-20
Homes as Power Stations	Jun-20	Submitted Jan-21
Supporting Innovation & Low Carbon Growth	Jul-19	TBC
Life Science, Wellbeing & Sport Campuses	Expected Q1 2021	TBC
Skills & Talent	Expected Q1 2021	TBC

Figure 3. Programme/Project Business Case Status

4. PORTFOLIO RISK MANAGEMENT

A new SBCD Portfolio Risk Management Strategy was implemented in Qtr 3, 2020. Aligned to the HMT Green Book supplementary guidance: The Orange Book, the strategy defines the risk appetite and tolerance of the SBCD and principles of the strategy, along with a documented process for identifying, assessing, addressing and measuring risk and issues. Risk management is led from the top of the SBCD and is embedded in standard practices and processes of the SBCD governance arrangements.

The SBCD has a Portfolio Risk Register and Issues Log, and regularly reports on prioritised risks through the governance structures. Key Business Risks captured in the SBCD Portfolio Risk Register include SBCD partner withdrawal, delays to programme and project approval, funding draw down and portfolio delivery delays, achievement of targets, reputational effect and change to scope and objectives.

SBCD Covid-19 Impact Assessment

The Covid-19 impact assessment is the method used by the Swansea Bay City Deal to assess the potential impact that the Covid-19 crisis has on each of nine programmes / projects and overarching City Deal portfolio. This recognises that the national and regional economic recovery will rely upon City Deal projects to support and stimulate national and regional economic growth and attract inward investment during these times of uncertainty.

The assessment assures the viability and successful delivery of the City Deal programmes / projects during the crisis and recovery stages of the Covid-19 pandemic. It is envisaged that risks impacting the programmes / projects and mitigations to overcome them are dealt with at programme / project level. Any risks deemed to place significant pressures on the programme / project or overarching portfolio such as significantly changing the programme / project scope, significant variance in the defined programme / project outputs, significant stage gate delays or continued commitment from key stakeholders, will be assessed by the PoMO and escalated to Joint Committee for appropriate intervention and decision.

Risks and mitigating actions are continually under review and reported quarterly through governance structures to actively manage the identified Covid-19 risks. The current assessment undertaken in Jan-21 is summarised below:

- **Main concerns:** Achievement of targets, reputational effect and stakeholder/ partnership commitment
- **Secondary concerns:** Impact on scope and objectives

	Number of Red Risks Identified by Impact Criteria								total Red Risks
	Scope and key objectives	Targets	Timescales	Reputation if project fails to deliver	Stakeholders/ partnerships commitment	Project costs	Procurement	Staff resourcing	
Oct-20	7	10	4	11	10	4	2	3	51
Jan-21	6	8	7	9	8	6	3	2	49
Change									

Figure 4. COVID-19 Risk Impact Assessment

5. CHANGE CONTROL PROCEDURE

The PoMO has developed a Change Control Procedure that details the potential impacts and benefits for stakeholders, how stakeholders will be engaged to understand the impact (positive or negative) of the change and how the changes will be communicated, implemented and managed. This process was signed off at Joint Committee in February 2021.

As part of the Portfolio Business Case and associated Monitoring and Evaluation Plan the Portfolio Management Office has developed a change log which will record all changes within the Portfolio. Change control reporting will take place for all SBCD Portfolio changes and will include full summarisation for significant change and notification only of minor change, reporting appropriately to the following levels of Governance at the prescribed frequency following the respective project, programme or portfolio board:

- Programme (Portfolio) Board
- Joint Committee
- Welsh and UK Government
- Economic Strategy Board
- Joint Scrutiny Committee

6. PROCUREMENT PRINCIPLES

Aligned to the Wales Procurement Policy Statement, the SBCD developed a supplementary set of procurement principles that aim to encourage project teams to consider wider benefits that can be achieved through procurement.

These principles link procurement activities with UK and Welsh Government policy and best practice, especially with meeting the objectives of the Well Being of Future Generations (Wales) Act 2015. The principles also draw on the need for Net Zero Carbon and Carbon Offset contributions to be considered as part of the procurement exercises.

The principles have been drafted in collaboration with industry, legal and procurement specialists with a view to ensuring that the regional supply chain and local businesses can have the opportunity to achieve the maximum benefit from the City Deal.

To support this, the SBCD PoMO has developed a Community Benefits Register. Programme / Project Leads will provide information as they progress through procurement, construction and delivery.

7. BUSINESS ENGAGEMENT

The SBCD is working closely with businesses in the region and external companies to develop business cases and procure and deliver the SBCD programmes / projects. The inward investment target is in the region of £600m for the 15-year portfolio and will require many aspects of business and service delivery throughout its lifecycle such as construction, R&D, manufacturing, supply chain development, networking and infrastructure operations. A revised SBCD business engagement and inward investment framework is being developed to support the ambitions of the SBCD portfolio and provide clear direction in how the attraction, retention and growth of businesses will advance our regional GVA and opportunities for employment.

8. SBCD COMMUNICATIONS AND MARKETING

A Communications & Marketing Plan has been developed, refined and updated, which includes a power and influence matrix of City Deal stakeholders. The plan informs the detail of communications, marketing and engagement activities.

From April 2020 to February 2021 (Note: Figures as of February 8, 2021), 168 positive media mentions were secured for the Swansea Bay City Deal in the digital and print media. Coverage was secured in the local, regional, Wales-wide and specialist media. Publications/websites/broadcasters which have featured positive Swansea Bay City Deal articles include BBC Online, the Western Mail, the South Wales Evening Post, Business News Wales, Wales Business Insider, and numerous local, regional and specialist media outlets.

The City Deal's Communications and Marketing Officer runs bilingual Swansea Bay City Deal social media accounts on both Facebook and Twitter, where content is regularly posted and monitored. The impact of these social media accounts from April 2020 to February 2021 is outlined below (Note: Figures as of February 8, 2021).



Facebook (@SBCityDeal)

Period	April-20 to February-21
Combined reach of posts (User views)	88,081
Video views	8,513
Likes and shares	1,049
Link clicks from posts	1,034
Page followers	840
Page likes	773



Twitter (@SBCityDeal & @BargenDinesigBA)

Period	April-20 to February-21
Average impressions (Total tally of views)	634
Likes	827
Retweets	460
Video views	7,629
Account followers	1,450

The City Deal's Communications and Marketing Officer has continued to work closely alongside communications teams at all partner organisations throughout 2020/2021. This includes communications teams at the Welsh Government and the Secretary of State for Wales' Office at the UK Government.

This work has helped considerably boost positive City Deal media and social media mentions/reach, while also ensuring the inclusion of Ministerial quotes in priority communications including business case approvals and the release of portfolio funding,

9. PROGRAMMES & PROJECTS SUMMARY

Bargen Ddinesig Bae Abertawe Swansea Bay City Deal



9.1. Digital Infrastructure

The £55 million Digital Infrastructure programme will benefit residents and businesses in all parts of the Swansea Bay City Region, which includes Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea. The programme is estimated to be worth £318 million to the regional economy in the next 15 years. Led by Carmarthenshire County Council, the Digital Infrastructure programme will:

- Ensure the region's cities, towns and business parks have competitive access to full-fibre connectivity
- Pave the way for the region to benefit from 5G and internet of things innovation, which includes smart homes, smart manufacturing, smart agriculture and virtual reality, as well as wearable technology that will support healthcare, assisted living and other sectors
- Focus on improving access to broadband in the region's rural communities, while stimulating the market to create competition between digital providers for the benefit of consumers

Inward investment of £30 million is estimated throughout the five-year delivery phase of the programme.

9.2. Pembroke Dock Marine

The £60 million Pembroke Dock Marine programme will place Pembrokeshire at the heart of global zero carbon marine energy innovation while also helping tackle climate change. Pembroke Dock Marine will deliver the facilities, services and spaces needed to establish a world-class centre for marine engineering. Led by the private sector and supported by Pembrokeshire County Council, Pembroke Dock Marine is made up of four elements:

- Marine Energy Engineering Centre of Excellence (MEECE)
- Pembroke Port developments

- Marine Energy Test Area (META)
- Pembrokeshire Demonstration Zone (PDZ)

The programme is expected to generate £73.5 million a year to the regional economy.

As well as having application across other blue economy industries, Pembroke Dock Marine will create the right conditions for the marine energy industry to flourish as the UK moves towards net zero decarbonisation targets. Pembroke Dock Marine's drive to maximise innovation and operational efficiencies will seek to drive down the cost of marine energy, while acting as a foundation programme that will support the growth of new initiatives in the region.

As well as the Swansea Bay City Deal, Pembroke Dock Marine is also being part-funded by the European Regional Development Fund through the Welsh Government.

9.3. Supporting Innovation & Low Carbon Growth

This £58.7 million programme will deliver sustainable jobs and growth in the Swansea Bay City Region to support the creation of a decarbonised and innovative economy, thanks to a partnership between government, academia and industry. The programme of seven linked projects will help:

- Decarbonise the steel and metals industry
- Provide high-quality office space for businesses
- Provide a route map for the commercialisation of hydrogen
- Support the advanced manufacturing sector
- Establish a regional approach to decarbonise journeys in the region.

With a targeted focus on the Port Talbot Waterfront Harbourside area, this programme, led by Neath Port Talbot Council, is projected to be worth £6.2 million a year to the local economy.

The Supporting Innovation and Low Carbon Growth programme is made up of seven inter-linked projects (emboldened below) under four themes:

1. An energy positive **Technology Centre** 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.
2. A **specialist facility which will support the steel and metals industry** in Port Talbot, Wales and the UK, while reducing its carbon footprint.
3. Decarbonisation projects including a **low emission vehicle charging network**, as well as **air quality monitoring** and a **hydrogen stimulus project**
4. An **Industrial Futures project** to 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 in the innovation and manufacturing sectors

9.4. Life Science & Wellbeing Campuses

The vision for the Campuses project is to deliver two complementary initiatives across two sites in two phases (Singleton and Morryston in Swansea) that add value to the regional life science, health and

sport sectors. This will support interventions and innovation in healthcare and medicine to help prevent ill-health, develop better treatments, and improve patient care, while boosting sport through world class sport science and new facilities.

The proposal builds on established and emerging partnerships to deliver an environment that exploits life science and technology research to drive economic development, positioning the Swansea Bay City Region as an international centre of excellence for health, sport and well-being.

The project will deliver new research, innovation and sports facilities within a regional health campus that enables the co-location of life science research and industry alongside clinical infrastructure and investment opportunities. This will support existing partners and attract inward investment to accelerate innovation, while supporting the delivery of a second phase of the project and other longer-term developments.

Phase 1 of the Campuses project will include:

- Development at Sketty Lane in Swansea which will create an environment that fosters innovation at the intersection between life science, health, wellbeing and sport. This will help attract public and private investment from organisations across these sectors, while benefitting from expertise at the nearby Institute of Life Sciences initiative at Swansea University's Singleton campus
- Refurbishment at Morriston Hospital that will accommodate a further Institute of Life Sciences development. This feature of the project will also include planning for new road access to a 55-acre site to the north of the hospital, which will establish Morriston as a global example of best practice for healthcare by accommodating commercial and academic collaboration with clinical research & development and facilitate access to modern technology and techniques

9.5. Yr Egin

Yr Egin is a digital and creative hub at the University of Wales Trinity Saint David in Carmarthen. Anchored by S4C's headquarters, the 3,700 square metre first phase of the development is also home to a range of other companies working within the creative sector, including multi-media publishing and digital technology; digital education; video production and photography; post production; graphic design; translation and sub-titling.

Canolfan S4C Yr Egin – which also includes an auditorium, editing suites, a large performance area and a café - offers a varied programme of events, workshops, talks and screenings for members of the public as well as those working in the creative and digital industries.

Yr Egin's main objectives are to stimulate further investment and economic growth in Carmarthenshire and beyond, and to inspire and revitalise a variety of social and community groups across the Swansea Bay City Region. Yr Egin will also create an exciting cultural hub for the digital and creative industries, while promoting the status of the Welsh language and Welsh culture.

A second phase of the development is being planned, which will deliver a state-of-the-art, hybrid digital co-working space allowing for cross-sector engagement between established businesses in West Wales and future SMEs in the creative industries. It will cater for a range of 'new' technological services that could be made available for the region.

It will also be a vibrant 'destination of choice' that inspires a digital community to connect, offering a range of services and a trusted technology ecosystem where clients can come to engage and co-curate new business solutions.

9.6. Swansea City Waterfront & Digital District

The Swansea City and Waterfront Digital District being led by Swansea Council is made up of three elements:

- A 3,500-capacity indoor arena at a site adjacent to the LC in Swansea city centre that will accommodate music concerts, touring shows, exhibitions, conferences, gaming tournaments and other events. Ambassador Theatre Group (ATG) have been appointed to run the indoor arena, once it's operational. Led by Buckingham Group Contracting Ltd, considerable progress is being made on site as the arena heads towards opening in the autumn of 2021. A digital square featuring digital artworks and ultrafast internet connection speeds will also be developed outside the arena
- A state-of-the-art office development at the former Oceana nightclub site on The Kingsway in Swansea city centre. Around 100,000 square feet of flexible office space and amenities will be developed for tech and digital businesses, with conference and meeting facilities as well as potential links to the indoor arena. Acting as a catalyst for further development on The Kingsway, the development will benefit from world class digital connectivity and integration with smart city technology. Construction tendering is underway
- An Innovation Matrix development at the University of Wales Trinity Saint David SA1 for start-up businesses, which will foster entrepreneurship through close links with academia

9.7. Pentre Awel

The Pentre Awel project earmarked for Llanelli will feature new business, education and health facilities, along with a complementary development that will establish a state-of-the-art new leisure centre and swimming pool. Proposed for an 83-acre site in South Llanelli, Pentre Awel will be the first development of its scope and size in Wales.

Pentre Awel will provide public, academic, business and health facilities all on one site to boost employment, education, leisure provision, health research and delivery, and skills and training.

The project is planned to include integrated care and physical rehabilitation facilities to enable the testing and piloting of life science technologies aimed at enhancing independence and assisted living.

The council-run leisure centre element of the project will feature a cutting-edge gym, an 8 x 25-metre swimming pool, a learner pool, a hydrotherapy pool, multi-purpose studios and an indoor play area.

Worth millions of pounds to the local economy, Pentre Awel will also create a wide range of employment opportunities across the Swansea Bay City Region as whole.

The wider project will also feature assisted living accommodation, along with a nursing home, a hotel, expansion space for businesses, and elements of both open market and social and affordable housing. Landscaped outdoor spaces for recreation on site will benefit from spectacular views across the Loughor Estuary and Carmarthen Bay.

9.8. Homes as Power Stations

State-of-the-art design and energy efficiency technologies will be introduced to thousands of properties as part of the Homes as Power Stations project throughout the Swansea Bay City Region.

The pioneering project is aiming to facilitate the adoption of the Homes as Power Stations approach to integrate energy efficiency design and renewable technologies into the development of new build homes and retrofit programmes carried out by the public, private and third sectors. This will tackle fuel poverty while helping residents save money on their energy bills.

The Homes as Power Stations project aims to prove the concept in the public sector at a relatively small scale with the intention of then scaling up activity in other sectors across the Swansea Bay City Region. These will include private sector developers.

Homes as Power Stations aims to:

1. Facilitate the take up of renewable technologies in at least 10,300 properties (7,000 retrofit, 3,300 new build) within five years to increase affordable warmth and reduce fuel poverty
2. Improve residents' health and well-being
3. Reduce burden on health and social services

The project will be linked to other housing improvement programmes to optimise efficiency of delivery. These include the Welsh Government's Optimised Retrofit Programme (ORP) forming part of the Innovative Housing Programme, which will reduce the carbon footprint of existing social housing in Wales.

There will be a focus on developing a sustainable, regional supply chain, monitoring and evaluation, skills development, an education and dissemination programme, and a financial incentive scheme. The project will share its findings via a knowledge sharing hub.

Homes as Power Stations will leave a legacy of skilled jobs in the Swansea Bay City Region, while mainstreaming the concept for roll-out elsewhere in Wales and the UK.

9.9. Skills & Talent

The Skills and Talent project aims to deliver a regional solution for the identification and delivery of the skills and training requirements for all City Deal programmes and projects. 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 City Deal portfolio's programmes and projects.

10. PROGRAMME AND PROJECT STATUS AND PROGRESS UPDATE

Below is the status and progress update for each of the nine programmes and projects. A high-level timeline of the portfolio is also included in Appendix A.

10.1. Digital infrastructure

Significant progress has been made on the Digital Infrastructure programme in 2020/2021, following on from the appointment of a Programme Manager in February 2020.

Key progress has included the re-establishment and expansion of the Digital Infrastructure Programme Board. An external Stage Gate 0 peer review of the programme was also carried out by independent experts in October 2020, which led to an Amber/Green status.

The Digital Infrastructure Programme Business Case was approved by the City Deal's Joint Committee in December 2020, following on from approvals at all four regional local authorities, along with endorsements from Programme (Portfolio) Board and the Economic Strategy Board. Following these approvals, the programme's Business Case was submitted to both governments for final approval.

Regional agreement has also been secured to partially recruit programme resource at risk, with detailed supplier engagement and risk mitigation ongoing. Preparations are advanced for the programme's transition from planning to delivery.

10.2. Pembroke Dock Marine

The Pembroke Dock Marine project was approved by the UK Government and Welsh Government in June 2020. Detailed discussions on a funding agreement between Pembrokeshire County Council, Milford Haven Port Authority and other project partners took place in Q3 and Q4 2020/21.

A planning application for the Pembroke Dock Infrastructure element of the project was submitted in December 2020, with the procurement of a construction contract in place.

A phase two marine licence for the Marine Energy Test Area (META) element of the project was awarded by Natural Resources Wales in January 2021.

All third-party approvals and funding are in place for the Pembrokeshire Demonstration Zone (PDZ) feature of Pembroke Dock Marine. A Marine Energy and Engineering Centre of Excellence (MEECE) Innovation Manager started in post in Q4 2020/21.

Formal project governance will be established in Q4 2020/21, pending approval of the funding agreement between the project lead authority and project partners.

10.3. Supporting Innovation & Low Carbon Growth

A Project Assessment Review (PAR) was commissioned into the Supporting Innovation and Low Carbon Growth programme of projects. This took place in June 2020, delivering an Amber status.

A Critical Friend Review also took place in October 2020, with action plans developed to meet recommendations arising from both reviews.

A Programme Board has been established for Supporting Innovation and Low Carbon Growth and a project/delivery plan is in place.

Planning consent for the Technology Centre aspect of the programme was secured in August 2020. Construction work - which is ongoing - started in November 2020.

A low emission vehicle regional public sector group has also been established, along with a working group - which includes Industry Wales - to develop the advanced manufacturing production facility element of the programme.

The Programme's Business Case is being finalised before submission to the UK Government and Welsh Government for final approval. Air quality monitors as part of the programme are due for imminent installation.

10.4. Life sciences, Well-being and Sport Campuses

The Campuses Project was rescoped in 2020/21 to include a sports element. The project will now position the Swansea Bay City Region as a centre of excellence for sport and wellbeing, as well as for innovation in healthcare and medicine to help prevent ill-health, develop better treatments and improve patient care.

A masterplan for the Singleton site was completed in Q3 2020/21, along with initial costings for phase one Singleton and Morriston. Synergies and differentiation between the Campuses project and Pentre Awel have also been explored.

Key letters of support have been received from partners to evidence commitment, as well as the development of an initial video to engage the private sector.

A positive initial meeting with officials from the UK Government and Welsh Government to introduce the rescoped project took place in Q4 2020/21. The project's redeveloped Business Case has also been presented to the City Deal's Economic Strategy Board, along with a presentation to the City Deal's Programme (Portfolio) Board.

An outline Business Case was submitted to the City Deal's Portfolio Management Office for review and feedback provided to further enhance and align the Business Case to Better Business Cases guidance.

10.5. Yr Egin

In November 2020, phase one of Canolfan S4C Yr Egin celebrated two years since its official opening. The development is now home to S4C's headquarters and a range of other creative sector businesses, including Big Learning Company, Boom Cymru, Captain Jac, Gorilla, Optimwm and Lens 360.

An updated Yr Egin Business Case was presented at and endorsed by Programme (Portfolio) Board in July 2020. A lessons learned exercise was completed in October 2020.

Phase two planning is ongoing, with a sector demand study commissioned in January 2021. This is aimed at undertaking a review of industry infrastructure and business support requirements, in light of Covid-19 and economic threats.

Job Creation - Yr Egin Phase 1:

- S4C jobs within the project: 58
- Jobs on site prior to Covid (not including UWTSO employees): 100 (inc 58 S4C jobs)
- Companies on site prior to Covid: 17 full-time
- Number of Welsh contractors involved in construction: 19

- Number of people who worked on the project construction: Average of 40 per week over 78 weeks

As a result of procuring Phase 1 through the South West Wales Regional Contractors Framework, a minimum of 52 weeks per £1 million spend of new entrants into employment, training and apprenticeships to include participants from disadvantaged groups, unemployed, NEETs, disabled and economically inactive was provided. This resulted in approximately 1560 weeks of employment and training to these groups.

10.6. Swansea City and Waterfront Digital District

Aspects of the Swansea City and Waterfront Digital District moved from planning into delivery in 2020/2021. This includes the completion of steelwork for the Swansea Arena, with plans now in place for completion of the development - both external and internal - in the autumn of 2021. In November 2020, a Meet the Buyer event was held, giving local and regional businesses the chance to bid for work packages forming part of the arena development. A call also went out in January 2021 for regional businesses working in the food & beverage and building services sectors to register their interest in supplying services to the Swansea Arena. In February 2021, work started on installing an iconic bridge linking the arena site with Swansea city centre.

In June 2020, planning permission was secured for the state-of-the-art office development at 71/72 The Kingsway for tech and digitally focussed businesses. Detailed discussions with potential tenants are ongoing, with construction expected to start in the spring of 2021, subject to authorisation from Swansea Council's Cabinet.

The Box Village element of the project at the University of Wales Trinity Saint David SA1 has been re-named the Innovation Matrix. A planning application for that aspect of the overall project is expected to be submitted in coming months.

An updated Swansea City and Waterfront Digital District business case was presented to and endorsed by Programme (Portfolio) Board in July 2020.

Jobs Created - Digital Arena:

- Number of people who have worked on the project construction: Average of 120 per week over 52 weeks (Note: This is currently an estimate as the information is not fully collated. It is based on 1600 operatives having received induction and an average of at least 4 weeks employment per operative).
- Note: The final employment numbers may take additional time to be realised due to the ongoing impacts of COVID-19.

Category	Contracted / Agreed Activity Target	Activity Delivered
other:	Completion of the Welsh Government's Community Benefits Tool	
	4325 person weeks	2539 person weeks

1. Recruiting and training of economically inactive people – Targeted Recruitment and Training (TR&T)	3028 (70%) New Trainees, Apprentices and other trainees	2079 New Trainees, Apprentices and other trainees
	1297 (30%) Existing Apprentices	460 Existing Apprentices
2. Supply chain initiatives	17% - Local (SA Postcode)	33% - Local (SA Postcode)
	38% - Wales	30% - Wales
	45% - UK & EU	36% - UK & EU
	MTB events 3	3

10.7. Pentre Awel

The major development planned for an 86-acre site in South Llanelli is now called Pentre Awel.

Progress in 2020/21 included the award of outline planning permission in April 2020, as well as ecology work on site from July to September 2020 to ensure timely discharge of pre-commencement planning conditions.

An external Stage Gate 2 review into the Pentre Awel project was carried out in September 2020, resulting in an Amber status. Recommendations were subsequently implemented, with a workstream to develop a whole site operating model also established in September 2020.

The Pentre Awel Business Case was approved by Joint Committee on November 12 2020, following approval at Carmarthenshire County Council and endorsements at both Programme (Portfolio) Board and Economic Strategy Board. The project is awaiting final approval from Welsh Government and UK Government.

Memorandums of Understanding with tenants were signed in October, November and December 2020, with heads of terms discussions ongoing.

In January 2021, a tender for zone one of the project was placed via two-stage procurement methodology, using the South West Wales Regional Contractors Framework.

10.8. Homes as Power Stations

Formal governance for Homes as Power Stations was established in Q2 2020/21, along with a formalised stakeholder engagement plan and a formalised project delivery and implementation plan.

Following its approval at all four regional authorities, the Homes as Power Stations project Business Case was approved at Joint Committee on June 11, 2020. Delegated authority was granted to the project's Senior Responsible Owner to make any minor changes necessary to the business case to secure UK Government and Welsh Government approval.

An external Project Assessment Review (PAR) was then commissioned into the Homes as Power Stations project for extra assurance. An action plan was produced to meet the recommendations of

the PAR - which delivered an Amber status - prior to the submission of an updated outline business case to the Portfolio Management Office for review in early 2021.

A Technical Advisory Group for the Homes as Power Stations project was set up in Q4 2020/2021.

The project is awaiting final approval from Welsh Government and UK Government.

10.9. Skills and Talent

A workshop was held with a Welsh Government Business Case adviser on the Skills and Talent project in August 2020, prior to a workshop on a long-list options appraisal in September 2020.

Business case development is ongoing, with feedback sought from a Welsh Government adviser in January 2021 to strengthen the business plan's economic case.

The project's Strategic Case has been reviewed by the Portfolio Management Office.

Several activities are planned for Q4 2020/2021. These include an external Stage Gate review of the project's business case and the submission of the business case to the City Deal's Economic Strategy Board and Programme (Portfolio) Board for consideration, prior to its submission to all four regional local authorities for approval.

