Archwilio Cymru
Audit Wales

Assessment of progress in addressing 2024 findings

Swansea Bay City Deal Region Joint Committee

September 2025

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Audit snapshot

What we looked at

1 We looked at the progress that the Swansea Bay City Deal Region Joint Committee ('the City Deal') has made in addressing the 16 areas for resolution identified in our June 2024 report.[1] **Appendix 2** shows the areas for resolution.

Why this is important

2 The City Deal is an important investment programme to boost the economy of the Swansea Bay region. Its effectiveness relies, in part, on good partnership working underpinned by strong governance. In 2024, we sought to establish whether the City Deal's programme management arrangements supported the effective and efficient delivery of the City Deal programme. We highlighted opportunities to strengthen how it demonstrates that its governance arrangements were fit for the future, reflecting changes in its operating environment. This included aligning key areas of activity with the South West Wales Corporate Joint Committee (CJC).[2] At the time of our 2024 report, there was no clear way forward about how the governance of those two entities could be conducted most effectively and efficiently. This year, we assessed the progress made in addressing our previous findings.

[1] Assurance and Risk Assessment 2023 – Swansea Bay City Deal Region Joint Committee

[2] Part 5 of the Local Government and Elections (Wales) Act 2021 established the Corporate Joint Committees. The Committee has responsibility for strategic development planning, regional transport planning and promoting the economic well-being of their area.

What we have found

3 The City Deal's progress to address the areas for resolution has been slower than planned. In June 2024, the City Deal agreed an action plan to address the 16 areas for resolution. It set out that all actions would be completed by December 2024, bar one action due for completion in March 2025. As of June 2025, of the 16 resolutions, five actions were complete, four are actioned and on-going, five are in progress and two were yet to be actioned. We also found weaknesses in its reporting of progress which may hinder Members' ability to understand and challenge progress.

What we recommend

4 We have made one recommendation to strengthen the comprehensiveness of City Deal reports.

Key facts and figures

- We issued a report to the City Deal in June 2024 containing 16 areas for resolution.
- We assessed the City Deal's progress in addressing those areas in June 2025.
- We found that the City Deal had completed five of the areas.
- It assessed that four of the areas are on-going and therefore embedded in business as usual.
- It was making progress in addressing another five areas.
- The City Deal was yet to start addressing two areas.

Our findings

The City Deal's progress to address the areas for resolution has been slower than planned and there are weaknesses in its reporting of progress

The City Deal's overall progress to address the resolutions has been slower than planned

5 In June 2024, the City Deal agreed an action plan to address the 16 areas for resolution. The City Deal set out that all actions would be completed by December 2024, bar one action due for completion in March 2025.

6 **Appendix 2** shows the City Deal's most recent assessment of progress and our assessment of that progress. As of June 2025, of the 16 resolutions, five actions were complete, four are actioned and on-going, five are in progress and two were yet to be actioned.

7 The City Deal has not, to date, changed the timescales in its action plan to reflect the delays in delivery. Agreeing and communicating revised timelines would help Members to monitor and challenge progress and provide clarity about progress for all stakeholders.

Whilst the City Deal has completed actions in some areas, it has been slow to implement governance changes

8 Despite not meeting its intended timescales, we found that the City Deal has completed its actions to address several areas for resolution. For example:

- it has developed measures to demonstrate the City Deal's impact, replacing the previous measures focused on Gross Value Added (GVA);
- it has agreed an updated evaluation framework, and

- it is taking forward a merger of the Joint Committee's Economic Board with the CJC's Private Sector Advisory Board.

9 However, the City Deal has not addressed several of the governance-related areas for resolution. This includes the alignment of the City Deal and the CJC. At the time of our audit, the City Deal was developing a series of options for future alignment. The City Deal Joint Committee and Scrutiny Committee were scheduled to receive those options in early July. Those proposals for alignment might impact on several of the resolutions.

10 As a result of the delays, there continues to be some duplication in the City Deal and CJC arrangements. In our letter to the CJC in July 2023[3], we highlighted that the two bodies have similar and mutually beneficial objectives. We raised that the CJC and the constituent bodies of the City Deal will need to determine how it can manage and oversee these two regional arrangements efficiently and effectively for the benefit of the region. At that time, officers were exploring options to minimise the administrative burden and associated costs of operating the two arrangements. Two years on, our point remains valid.

City Deal reports on progress are not always comprehensive which may hinder Members' ability to understand and challenge progress

11 Reporting on progress against the areas for resolution is not always comprehensive. The City Deal's Joint Committee and Joint Scrutiny Committee have received quarterly reports on progress against the areas for resolution. Two of those reports provided updates on just three of the 16 areas for resolution, with little explanation provided for the omissions. This risks limiting Members' understanding of progress in addressing these areas.

[3] Commentary on CJCs' progress – South West Wales Corporate Joint Committee, Auditor General for Wales, July 2023

Recommendation

R1 This report highlights weaknesses in the reports provided to the City Deal Joint Committee around progress in addressing the areas for resolution.

To address this, the City Deal should ensure that progress reports to the Joint Committee and Joint Scrutiny Committee provide a comprehensive assessment of progress against all resolutions, or a clear explanation as to why this is not the case.

Appendices

1 About our work

Scope of the audit

This audit assessed the City Deal Joint Committee's progress in addressing the areas for resolution since we issued these in June 2024. The audit findings are limited to that aspect of the City Deal's operations.

Audit questions and criteria

Questions

We sought to assess whether the City Deal:

- had taken action in line with its own intended timescales;
- could evidence what has changed as a result of addressing the identified areas for resolution;
- had put in place appropriate measures of success to understand the impacts of addressing the areas for resolution;
- had arrangements to challenge its own assessment of progress in addressing the areas for resolution; and
- had provided periodic updates to Members on progress against its actions to address the areas for resolution.

Criteria

Our audit criteria were informed by the CIPFA/SOLACE Delivering Good Governance in Local Government Framework[4].

Methods

[4] CIPFA, Delivering Good Governance in Local Government, 2016

We conducted this audit by reviewing relevant documents setting out the City Deal's progress. We also interviewed the Chair and senior officers of the City Deal.

2 City Deal's assessment of its progress to May 2025

The table below sets out the most recent report on progress received by the Joint Committee on 27 May 2025[5] along with our assessment of progress as of June 2025.

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW08	Clarifying the line management of the Portfolio Office Director to ensure that both strategic and operational accountabilities and responsibilities are clear.	To be actioned	At the time of our fieldwork, the City Deal was yet to take action to clarify the line management arrangements. This area for resolution is part of the review of the Portfolio Management Office which the City Deal Regional Joint Committee was scheduled to receive in July 2025.	December 2024

[5] Swansea Bay City Deal (2025) Audit Wales - Assurance and Risk Assessment: Swansea Bay City Deal Action Plan v1.3

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW11	Resolving the varying views over the effectiveness, value and duplication of regional scrutiny.	To be actioned	A review of regional scrutiny is planned but has not yet progressed.	September 2024
AW02	Developing a replacement measure for Gross Value Added (GVA) as required by HM Treasury.	Complete	The City Deal has replaced GVA with a different set of metrics, through its revised evaluation framework. The Joint Committee approved that framework in June 2024. The City Deal uses this framework in its monitoring and reporting processes. This represents a clear, documented shift in performance measurement.	March 2025
AW04	There were differing views across the eight City Deal partners around whether the portfolio has already entered a different phase of delivery across all programmes and projects and the criteria the Joint Committee will use to identify that milestone.	Complete	The City Deal has categorised projects by delivery stage and reports this annually.	December 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW10	Clarifying the benefits and purpose of the City Deal's Economic Strategy Board. .	Complete	The City Deal has reviewed the purpose of the Economic Strategy Board and has developed a plan to absorb the functions of the Economic Strategy Board into a wider Private Sector Advisory Board (PSAB) under the CJC. This is part of the series of options that the City Deal Joint Committee was to receive in July 2025.	December 2024
AW12	Finalising the new evaluation framework in response to the City Deal's 2023 Gateway review through a Task and Finish group established by the Joint Committee to respond to the review's findings.	Complete	The Joint Committee approved The Evaluation Framework in June 2024. The framework provides a structured approach to assessing outcomes and impacts, with clear roles, methodologies, and timelines. This framework is now incorporated into the City Deal's monitoring processes.	June 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW16	Clarifying whether there is duplication within the arrangements, whereby data is collected and reported locally and then also collected and reported at a regional level leading to potential inefficiencies.	Complete	The City Deal has implemented a streamlined quarterly reporting process that reduces duplication. New templates and guidance have been adopted.	September 2024
AW07	There were differing views among the City Deal partners of the need to retain the thoroughness of the governance arrangements which have been used to establish the City Deal programme (portfolio) and bring projects into delivery. City Deal partners had not agreed the extent to which they will retain the same level of governance arrangements as the programme (portfolio) progresses into a different phase.	On-going	The City Deal has categorised projects by delivery stage and reports this annually, but formal criteria for defining the transition between phases is yet to be agreed.	September 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW14	Maximising the shared lessons learning across the City Deal portfolio.	On-going	The City Deal conducted a formal 'lessons learnt' exercise in April 2025. The outcomes are expected to be published in the Annual Report in October 2025.	July 2024
AW15	Reflecting whether there are greater opportunities to raise the profile of the City Deal's impact with the public.	On-going	The City Deal has sought to improve its communications, with increased media coverage, events, and a new website. The impact and benefits of these efforts are being evaluated.	July 2024
AW03	Achieving the intended outcomes within the constraints of the changing delivery environment.	On-going	The City Deal has implemented benefit tracking tools and continues to monitor delivery risks through dashboards and risk registers. However, external factors such as inflation and changing partner commitments have contributed to the impact upon timelines and outputs.	December 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW01	Ensuring the alignment between the City Deal, Corporate Joint Committee (CJC) and wider economic strategies and partnerships.	In progress	Progress has been made on aligning the City Deal with the CJC but is significantly delayed. While a review of the Portfolio Management Office (PoMO) and governance structures has been undertaken, formal decisions are still pending. The Joint Committee is scheduled to consider the options on 10 July 2025 and make a decision in principle. The four constituent local authorities will then need to take the proposed decision through their governance arrangements. The City Deal has developed three options for alignment, to be considered, with a preferred route identified. Implementation depends on agreement from all constituent authorities.	December 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW05	Partners had not yet formally reviewed the portfolio management capacity and funding. However, on-going budget review processes may provide the partners with the opportunity to review the required scale of portfolio management.	In progress	A review was recently produced and awaiting consideration by the Programme Board and Joint Committee. The final decision on future structure and funding is tied to the broader alignment with the CJC.	July 2024
AW06	Managing the potential risk of losing portfolio management staff whose skills may be applied across the region whilst future funding arrangements are resolved.	In progress	This risk is now included in the City Deal risk register.	July 2024
AW09	Whilst City Deal partners recognise the benefits of aligning the City Deal and Corporate Joint Committee, however, due to differing legal structures, there was no clear approach as to how and when that might be achieved.	In progress	The City Deal has developed options for alignment and will present those to the Joint Committee in July 2025. However, each of the four local authorities will need to take formal decisions on the way forward.	December 2024

Reference	Area for resolution	City Deal assessment of progress in May 2025	Audit Wales assessment of progress in June 2025	Intended timescale (target date)
AW13	Ensuring greater consistency of the reporting of community and regional benefits from each of the portfolio's individual projects.	In progress	While benefit maps and profiles have been developed and used in quarterly reporting, consistency across projects is still being refined. The evaluation framework supports this work, but its implementation is on-going.	September 2024

3 Key terms

12 The table below explains some of the key terms referenced in this report and sets out some of the key governance arrangements within the Swansea Bay City Deal.

- The **Swansea Bay City Deal** (the 'City Deal') involves eight key partner organisations in the Swansea Bay region. The City Deal is led by the four local authorities in the region – Carmarthenshire County Council, Swansea Council, Neath Port Talbot Council and Pembrokeshire County Council – together with four other partners in the region which are the Swansea Bay and Hywel Dda University Health Boards, Swansea University, the University of Wales Trinity Saint David.
- The City Deal is a 15-year investment programme with funding being provided through a number of organisations including the UK and Welsh Governments, the eight partner organisations and private sector investment.
- There are nine City Deal programmes and projects that make up the portfolio. Through the delivery of that series of projects, the City Deal aims to boost the regional economy by at least £1.8 billion, while generating more than 9,000 jobs.

- The **Joint Committee** is made up of the elected leaders of the four local authorities along with senior executive leaders from Swansea Bay and Hywel Dda University Health Boards, Swansea University, the University of Wales Trinity Saint David.
- The Joint Committee has overall responsibility for delivery of the City Deal.

- The **Joint Scrutiny Committee** is made up of three elected members from each of the four local authorities. Its role is to provide advice, challenge and support to the Joint Committee.

- The **Economic Strategy Board** is made up of six private sector individuals who are appointed through an open recruitment and nomination process. The Board's role is to provide strategic direction for the City Deal through advice to the Joint Committee on matters relating to the City Region.

- The **Portfolio Management Office (PoMO)** is responsible for the day-to-day running of the City Deal supporting the nine programmes and projects. As part of that support, it implements the programme (portfolio) management approach across the portfolio and coordinates the collation of relevant data.

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