

Closure of Projects and Project Substitution

This category of change will apply during the Project Development Phase only.

Change Identification

1. Periodically – reviewing outcomes from SOC/OBC/FBC assessment processes, annual Portfolio SPBC, Programme/PBC Reviews and Project Gateway Reviews;
2. Ad-hoc - voluntary submission of change requests from Sponsors and those generated following ongoing and regular progress / milestone monitoring sessions with Sponsors.

Progress monitoring reports and Gateway Review output reports will be used to inform whether a change action is needed. Indicators gathered ad-hoc will likely generate a need for a project ‘health check’ and potentially a full Gateway Review. Only if Projects in the approved Portfolio are found to be Non-Viable during business case development will a process of Project Substitution be instigated.

Criteria to be used to determine Non-Viability

These would be dependent on the severity of the issues being reported and the extent to which the Project has fallen outside permitted tolerances.

GMW Board-level action will be needed where the criterion in [Table 1](#) are prevalent. Transgressions will be reported at the next available GMW Board meeting, where Project Closure may be instructed, in particular where a Delivery Confidence Assessment (DCA) arising from a Gateway Review has been rated red.

Project substitution will only be initiated once an annual SPBC review has been completed.

Change Criteria	Criterion
Total Project Cost or Finance Increase	>£1.0m / change max>30% variance
Increase in Growth Deal financial ‘ask’	any variance
Delay to Delivery / Milestones	>1 year
Product Quality - including Scope and Risk – viewed against Design Strategy & Risk Register	Major non-compliance/s or Risk value >£4m
Variance to Benefits	>30% variance
Investment Objectives affected (GVA, jobs or inward investment)	Any variation
SOC or OBC assessments fail to determine a successful Project recommendation	Where a RED overall rating is identified for an assessment
Project Failure to cooperate and observe due process	Repeated transgressions
Project Failure (identified at a Gateway Review)	Where RED DCA occurs

Table 1

Should a Project Closure be proposed between SPBC Reviews the respective Sponsors may be notified that their Project will not be taken forward (with GMW Board interim approval). GMW Board will then be approached to determine, when agreeing the SPBC Review:

- A. which ‘Strategic Growth Priority’ should receive any replacement scheme; or
- B. whether a replacement scheme is to be commissioned at all.

Replacement Scheme Identification – See Flow Chart at [Appendix A](#)

The Portfolio already has a Long List, or Pipeline, established at the formation of the SPBC, attached at [Table 2](#) below. However, this Long List is from 2020 – and will not be up to date. The scope of the review therefore would be for the PoMO to revert to the existing long list (so we do not lose ideas), but also the Long List will be extended by way of a two-stage ‘open call’ process (this would only occur once a year following the respective SPBC Review)¹:

1. Expression of Interest – for Promoting Organisations to provide abbreviated project information for appraisal by a Working Group to establish those going forward to the next stage (this may result in only one candidate scheme being proposed);
2. Shortlist for Inclusion – where Proposing Organisations would be asked to submit further project information to enable the Working Group to undertake a full project evaluation using the established Portfolio Critical Success Factor Evaluation Model².

¹ Proposing Organisations for Projects on the original Long List will be able to raincheck the status of their schemes and submit updated information as part of this process.

² The Portfolio Critical Success Factors or CSF Framework should be reviewed to confirm its appropriateness for use and whether it can be improved or modified to better suit operational needs going forward (e.g., should a minimum aggregated pass mark, or ‘Viability Threshold’, be introduced?).

A Preferred Candidate Project would then be proposed to GMW Board for inclusion into the Portfolio. Those schemes assessed, but not recommended for inclusion would increase the depth of the Long List, generating a larger Portfolio Pipeline for future consideration.

The parameters for any review of the long list and addition to it, would be based on pre-agreed parameters from the GMW Board.

The Established ‘Pipeline’ – Original SPBC Long List

Growth Priority Area	Proposal	Proposing Organisation	Tranche One ³	Tranche Two ⁴
Strengthened Tourism Offer	Cynefin – The Green Heart of Wales	CAT – Centre for Alternative Technology	✓	
	Dŵr Cymru – Brecon Beacons	Dŵr Cymru		✓
	Dŵr Cymru Elan Valley	Dŵr Cymru	✓	
	Green Man Festival Permanent Site	Green Man Festival		✓
	Montgomery Canal Wales restoration to navigation	Montgomery Canal Partnership	✓	
	Ceredigion Harbours	Ceredigion County Council	✓	
Skills and Employment	Black Mountain College Further and Higher Education Institution	Black Mountain College ⁵	✓	
Applied Research and Innovation	National Spectrum Centre	Aberystwyth University	✓	
	Mid Wales Advanced Manufacturing Campus	TBD	✓	
	RiverSimple	RiverSimple		✓
	Trawscoed: Applied Research and Innovation Initiative	Aberystwyth University		✓
	Innovation Park	Aberystwyth University	✓	
	Beacon and moving towards Carbon-Reduction	Aberystwyth University / Beacon		✓
Agriculture, Food and Drink	Food Manufacturing Innovation Centre	CCC – Food Centre Wales	✓	
	Food Retail Experience	RWAS		✓
	Canolfan Tir Glas / University of Gastronomy	UWTSD	✓	
Digital	Social Housing Connectivity	Joint Approach PCC / CCC		✓
	Strategic Employment Site Connectivity	Joint Approach PCC / CCC	✓	
Supporting enterprise	Mid Wales Sites and Premises	Joint Approach PCC / CCC	✓	
Transport	No projects identified	n/a	n/a	n/a
Energy	No projects identified	n/a	n/a	n/a

Table 2

³ Tranche 1 proposals shortlisted for development all have conditions associated with them

⁴ Tranche 2 proposals not shortlisted because all had significant issues to address

⁵ Caveat raised on Black Mountain College project - significant questions needs to be addressed in the short term for it to be considered further

Appendix A – Project Substitution Flow Chart

