

Appendix 01 - Egni Project Change Control Form

Section 1: Change Request			
Change Requester Name	Prof. Paul Spencer	Change Requester Organisation	Bangor University
Growth Deal Programme	Low Carbon Energy Programme	Growth Deal Project	Egni (Low Carbon Energy Centre of Excellence)
Title of Change	Revised scope and budget for Egni Project		
Change Request Date	11 th January 2023		
Urgency	<u>High</u> Medium Low	Requested change start date	Immediately
		Likely duration of change delivery	Lifetime of the project
Section 2: Change Summary			
Please confirm the proposed change(s) to the project. <i>Tick the primary (P) driving change and any secondary (S) changes resulting.</i>	P	S	Proposed change to project:
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Timeline - Please complete section 3 and worksheet 1
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Spending objectives - Please complete section 3 and worksheet 2
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Capital costs or sources - Please complete section 3 and worksheet 3
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Revenue profile or sources - Please complete section 3 & worksheet 4
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Name, aim or scope - Please complete section 3 and worksheet 5
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Outputs and benefits - Please complete section 3 and worksheet 6
	<input type="checkbox"/>	<input type="checkbox"/>	Ownership or control - Please provide details in section 3
<input type="checkbox"/>	<input type="checkbox"/>	Other: please specify here _____	
Section 3: Change Details			
Change Description. <i>Please give details for each change listed above, describing each separately.</i>	<ul style="list-style-type: none"> • <i>Description of the change being applied for</i> • <i>Reasons why the change is being requested</i> • <i>If an urgent change, why?</i> • <i>Impact of change if not approved</i> • <i>Please see impact evaluation questions below and address all points in your project change description.</i> 		
	<ul style="list-style-type: none"> • For each area <u>not</u> selected in Section 2, please explain why there's no impact Description of Change Request:		

This change request seeks approval for disaggregating the Egni project resulting in the current Phase 1 development (new build at M-SParc) progressing and the Phase 2 (new build / equipment on the Deiniol campus at Bangor University) being withdrawn.

In effect this will result in the Phase 1 development become the substantive Egni project (with a reduced scope and budget) and with the Phase 2 component being withdrawn from the Growth Deal and associated grant element moving to form part of Growth Deal's Project Replacement Process which will be launched early in 2023. The current £41m Egni project (£21m Growth Deal investment) will be reduced to an £8m project (with a £4m Growth Deal investment). The remaining funding has been provisionally secured from Welsh Government (£2.5m) with a £1.5m capital investment by Bangor University. This will deliver approximately a 2,200m² new building on the M-SParc site consisting of small, medium and large office space, labs and workshops, and training space. The building will focus on low carbon energy research, development, innovation and commercialisation activity. The proposal is to house some of the University's Nuclear Futures Institute (NFI) as part of an integrated offer to industry seeking to collaborate, access specialist facilities, develop skills and training, as well as provide provision for business accommodation and support. The project seeks to build on the successes of the first M-SParc building (currently 92% occupied), realise the opportunity for inward investment from low-carbon companies and provide additional industry focussed space for NFI.

Rationale:

The Egni project has been operating on a phased basis since Autumn 2022. This approach was originally taken to navigate the issues caused by the delays in implementing the University's Capital Programme. This had been seriously impacted by rising costs which resulted in the programme being paused whilst a strategic revaluation took place which also coincided with a new Vice-Chancellor taking the helm at the University. To ensure that progress was made it was agreed to adopt a phased approach in which the M-SParc element of the wider Egni project would be taken forward first as Phase 1, with a Phase 2 element (Bangor University Deiniol Campus) to be progressed following the conclusion of the review of the University's Capital Programme. This review found that Phase 2 as part of the wider Deiniol Science and Innovation Campus development was unviable in the short and medium term. It also concluded that in the current climate of rising costs and financial uncertainty the University's priority needs to be the delivery of the new North Wales Medical School development.

To this end the withdrawal of Phase 2 would provide the opportunity to explore the development of a Health Innovation Hub proposal (as part of the North Wales Medical School) within the Growth Deal Project Replacement Process.

Impact:

These are significant changes that are being requested. If approved, they would allow:

- The current Phase 1 to become the sole focus of the project.
- Withdrawal of the current Phase 2 component from the Growth Deal.
- The submission of an OBC for the M-Sparc element (previously referred to as Phase 1) with a revised scope and budget.

Additional detail of the proposed changes is provided in the accompanying worksheet. In summary the new spending objectives would be as follows:

- Create 10 FTE (direct) roles over 5 years and facilitate the creation of 50 FTE (indirect) in low carbon businesses over 10 years
- Net additional GVA of £32-40m million to the North Wales economy
- £3m grant funding leveraged revenue and capital over 10 years
- 40 collaborative projects over 10 years – collaborations between M-SParc and our ecosystem to deliver projects generally for funding calls that come out e.g. Welsh gov projects, innovate UK etc, policy advice.
- Flexible workshop spaces and laboratories created for the purposes of testing and characterisation.
- Create an outreach space and training centre to help deliver low carbon training activities over 10 years.

Timeline:

The following table provides the projected timeline for the revised Egni project and is taken from the revised OBC. It provides a best-case scenario based on current estimates. Any revisions to this timeline will be managed and communicated appropriately. This timeframe is considered realistic subject to timely approvals and is necessary considering constraints of the Welsh Government match funding.

Draft OBC to PMO	Jan-23 (completed)
Gateway 2 Review	Jan-23 (scheduled)
NWEAB OBC Approval	Mar-23 (proposed)
Complete Procurement Process	Jan-24
Complete Planning/Consent Process	Dec-23
Draft FBC to PMO	Jun-23
Gateway 3 Review	Jul-23 (if required)
NWEAB FBC Approval	Sep-23
Start on Site	Jan-24
Project Completion (Building delivered)	Dec-24

Risks & Dependencies:

Outlined below are the main risks and dependencies taken from the revised OBC and full RAID documentation is available.

Main Risks

- Lack of capital funding available.
- Loss of focus on science park objectives.

	<ul style="list-style-type: none"> • Failure to manage science park operations effectively. • Failure to sufficiently engage with strategic stakeholders. • Cost increases due to inflation, cost of energy, Brexit and the pandemic. • Delays and programme over run. <p><i>Dependencies:</i></p> <ul style="list-style-type: none"> • Other Growth Deal Projects: Bangor University has 3 projects within the NWGD and these projects are governed internally by separate project boards which are overseen internally by a programme board. External governance to the Growth Deal structure is also in place. • Bangor University: As this is capital funding which will provide new facilities at the University and M-SParc, professional support from BU estates, finance and procurement will be important. • Government Policy & Projects: The UK has big ambitions as set out in the Energy White Paper and there are a range of projects which, depending on their success, will have an impact on the scope of the Egni project. • Match-funding: The Egni project is dependent on a range of funding sources to ensure the success of the project.
Declaration	<input type="checkbox"/> Job, GVA and investment targets will not be affected by this change <input checked="" type="checkbox"/> The change request has been assessed against each of the 5 cases
Submit this form to the appropriate Programme Manager for consideration by the Programme Management Office and relevant Board(s)	