

Enterprise M3 Programme Management Group
Telephone Conference
Friday 21 December 2018

Capital projects – Winchester Science Centre: Inspiring Science for All – Item 5a

Programme Management Group members are asked to:

CONSIDER the details of the Winchester Science Centre – Inspiring Science for All project, the issues raised by the AECOM due diligence report and the response to these.

AGREE that grant expenditure from the Local Growth Fund (LGF) of £500k is approved for this project.

1. Background

- 1.1 Following the March 2018 funding call, the Winchester Science Centre project was initially marked as a B category project and following input from Enterprise M3 was resubmitted. Subsequently it was marked as an A category project and was approved to progress to due diligence by the Programme Management Group on 13th September 2018
- 1.2 Since this time, due diligence has been undertaken by Peter Capocci of AECOM and a report received. It should be noted by the Members that a 'simplified' due diligence was undertaken for this project. This was done to test the principles of this approach when dealing with less complex and/or lower value projects. On this occasion, both the value and simple nature of the projects Outputs and Outcomes meant this type of review could be undertaken.
- 1.3 The full EOI for the project, along with the AECOM due diligence report is available to PMG on request. Please email Jordan.tame@enterprisem3.org.uk

2. Details of the project

- 2.1 The aims of the project are to:
 - Upgrade and re-imagine the WSC planetarium and exhibition space to create an inclusive STEM experience
 - Create a launch pad for partnerships and STEM opportunities through a dynamic outreach programme starting from the WSC upgrades.
 - Contribute to the local economy and increase its STEM Ambassadors programme to create interactive, thought-provoking science experiences at the WSC, in schools and in the community;
 - Support the future ambitions of the WSC by unlocking further funding to develop a live science theatre as well as securing WSC as the essential hub for STEM in the South.

- 2.2 The project involves the creation of a world-class, accessible stand-alone planetarium, a reimagined exhibition experience and accessibility modifications to ensure inclusivity and diversity. The works on the Planetarium will cement its place as having the largest stand-alone planetarium in the UK.
- 2.3 Digital aspects of the project include;
- Learning rooms will be updated to be well-equipped with 'internet of things' connected devices and teaching resources.
 - The South Downs Conference Centre (the Live Science Theatre) will feature laser digital displays, connected lighting and sound systems to be operated wirelessly.
 - An Upgrade in broadband capability enabling fast and reliable access to WSC's projected 200k+ visitors per year.
 - WSC are also investing in a major overhaul of its website and online presence including new functionalities, live streaming capabilities for events and activities for schools and community groups and interactive apps for visitors to extend their engagement with WSC and STEM.
 - The new upper-floor (phase 2) will be an exciting opportunity to engage the public with new digital technologies highlight the latest work taking place in the region's companies and universities that WSC partner with.
- 2.4 The Project also focuses on low carbon and is keen to maintain strong links with the South Downs National Park and to reduce its carbon footprint. The following has been considered and adopted in order to align with the low carbon agenda:
- The capital works within the project have been designed to use sustainable materials sourced from within the region through local suppliers.
 - Rooms designed and furnished with the highest efficiency lighting, and Building Management Systems to improve the carbon efficiency of the whole site.
 - Dr Ben Littlefield, Head of Curiosity at WSC, is a committee member of the University of Southampton's Strategic Group for Clean Carbon Technologies and will bring his expertise to the project.
- 2.5 WSC will continue to work with and grow relationships with key STEM businesses in the region including aerospace, pharmaceuticals, digital industries and satellites & communications to develop careers-based STEM events targeted at future scientists/workers. As well as this they will be working with those companies to support their corporate social responsibility needs.
- 2.6 The business case identifies the following benefits of the scheme:
- 5 Direct FTE Jobs
 - 10 Indirect FTE Jobs
 - 220sqm of Retail floorspace (Reuse/Refurbishment)
 - 1000 sqm of Leisure and Visitor Attraction floorspace (Reuse/Refurbishment)
 - 1000 sqm of Education and Skills floorspace (Reuse/Refurbishment)
 - Estimated £2.9m additional net spend within the local economy

3. Independent scrutiny and assurance

3.1 AECOM has carried out due diligence to consider the costs of the project and to ensure the works are in line with what would be expected for a project of this nature. The levels of Match Funding were also reviewed with AECOM confirming contributions and grants from third parties for this project.

3.2 AECOM has concluded:

a) In general a majority of the works are of a specialist nature and it is acknowledged that WSC have engaged with potential specialist suppliers and sub-contractors for each element of the works. A number of quotations have been obtained and provided and recent experience from the fit-out of the Explorer Space exhibition has also been utilised by WSC to develop the project budget. In this respect it would appear that a reasonable level of due diligence in the preparation of the costs has been by WSC.

3.3 AECOM has provided the following recommendations.

- a) The scope of the work to be provided by WSC Solutions (£10k) will need to be carefully monitored and managed during the development of the scheme with fixed prices obtained prior to the works commencing in lieu of the daywork charges.
- b) Contingency for IS4A Exhibition and IS4A Welcome Area & Accessibility is considered low (currently 2.2% whereas 5-10% is more commonly utilised) however it is noted that elements of contingency are contained within each budget heading and the WSC and the WSC's Project Manager has recent and relevant on-site experience. The contingency needs to be carefully managed and set aside for unforeseeable costs rather than scope creep/ WSC changes.
- c) There is currently a shortfall in confirmed capital match funding of £123k against the grant request of £500k however £30k of this can be met through WSC in-kind support leaving a shortfall of £93k capital.

3.4 To address the recommendations from AECOM and following conversations with both WSC and AECOM the following mitigation actions are proposed:

- a) The project spend would be closely monitored by the Project Manager and the PMO group with the spend being included in the Capital reports provided to PMG and Board.
- b) The project spend would be closely as well as a provision within the contract for WSC to bear overspend in relation to the project.
- c) If approved, the contract would include provisions for WSC to bear the burden of the shortfall to ensure delivery of the project.

4. Key criteria

4.1 The table below summarises how the scheme performs against key criteria

Table 1

Criteria	Assessment	Comments
Strategic Fit	Good	Aligns with the Strategic Economic Plan 2018-30
Impact of the Scheme	Good	The project will enhance the local economy and aims to address the skills gap within STEM
Percentage of Match Funding	Good	Match funding represents 55.1% of the funding against the total £1,112,683 Phase 1 project costs.

Past Performance of Scheme Promoter	Unknown	Enterprise M3 have not funded any projects with the scheme promoter
-------------------------------------	---------	---

5. Project Milestones and Key Dates

- 5.1 The table below summarises the key dates in relation to this project and the intended milestones. The project dates have moved backward from the original EOI due to the process taking longer than WSC initially anticipated. The schedule of works have now been amended to take place during WSC quiet periods to minimise disruption.

Table 2

Date	Milestone
October 2018	Project Manager recruited
January 2019	Enterprise M3 LEP Funding Agreement in place
March 2019	Planetarium refurbishment begins
End – March 2019	Planetarium complete
September 2019	Exhibition and welcome area main build and installation begins
End – September 2019	Exhibition and welcome area complete

6. Summary and recommendation

- 6.1 On the basis of the due diligence report and the assessment of the Inspiring Science for All Project, approval is sought from the PMG to release the funding, subject to legal contract and mitigation of the recommendations supplied by AECOM.

Jordan Tame

Senior Project Officer

13th December 2018