

# Meeting not open to the public

**East  
Devon**

District Council

Date: 7 May 2014  
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To: Councillors: Paul Diviani, Andrew Moulding, Ray Bloxham  
David Cox

Officers: Mark Williams, Richard Cohen, Simon Davey,  
Karen Jenkins, Rachel Pocock, Steve Pratten

## **Office Accommodation Project Executive Group Wednesday 7 May 2014 – 3.00 pm – Room 1**

### AGENDA

Page/s

1. Apologies.
2. Approval of previous meeting notes.
3. Matters arising
4. Relocation Managers Report
  - a. Project Costs to date
  - b. Project Programme, including key milestone dates
  - c. Risk review
  - d. Cost Options Refresh
  - e. Future Cabinet and Council Meetings
    - o June Cabinet Report update
    - o Subsequent delayed decision meeting to formally reaffirm decision to move to Skypark and sell Knowle / Manstone Depot
    - o Comms and message handling
    - o Associated budget review.
5. Skypark
  - a. Progress
6. Marketing of Knowle and Manstone
  - a. Update on tendering for the Commercial Land Agent role, including review of Tender Report and associated recommendation
  - b. Draft Local Plan
  - c. TVG, RoW

Protected Marking: Protect

Chief Executive: Mark Williams  
Richard Cohen – Deputy Chief Executive  
Denise Lyon – Deputy Chief Executive and Monitoring Officer

7. Heathpark site sale discussion

- a. Progress in achieving agreement with Terrace Hill
- b. Anticipated programme
- c. EDBC succession
- d. Replacement for Knowle and Manstone Depots update

8. Other matters

- a. Equalities and best value
- b. Provision of services within the District away from Skypark
- c. IT
- d. Communications
  - I. Member presentation
  - II. Staff Liaison
  - III. East Devon Extra
  - IV. Stakeholders Meetings
- e. Council procedures – finance, legal, procedural propriety

9. Any other business

10. Date of next meetings:

- 4<sup>th</sup> June 2014 – Richard's office

# Meeting not open to the public

**Notes of meeting the Office Accommodation Executive Group  
Held on  
Wednesday 7 May 2014**

**Present:**

Councillors: Paul Diviani, David Cox, Ray Bloxham, Cllr A Moulding

Officers: Richard Cohen, Steve Pratten, Simon Davey, Karen Jenkins, Rachel Pocock,  
Henry Gordon Lennox

		Action
1.	<b>Apologies:</b> Mark Williams	
2.	<b>Minutes of previous meeting:</b> agreed.	
3.	<b>Matters arising:</b> Standard agenda items to be updated.	
4.	<b>Relocation Managers report:</b> <ul style="list-style-type: none"><li>• Project costs to date are a spend of £398,409 from a budget of £501,687 leaving a balance of £103,277.</li><li>• Project Programme – no significant change to last month. We are still waiting for the response on the TVG which may have an impact on some of the critical dates on the programme. The target date of July for the decision to purchase the land from St Modwen may now be moved back to later in the year. The Group asked whether it was possible to chase DCC on TVG progress? HGL confirmed that he would ask DCC to let us have a copy of the report as soon as it was available. There is the possibility that we could be judicially reviewed by those objectors who may not agree with the Inspector's recommendation. An allowance of 24 months for a Judicial Review have been factored in to the current costs/programme. Immediately prior to the recent Inquiry the applicant decided to amend their application which means that the appeal will now be based on the land around the Knowle and upper carparks but not include the Maintenance Depot site. If the TVG causes a delay we could look at a fall-back position which would be to lease the land and building for 5 yrs (or other such periods of time) and look at loan options but at no extra cost to the council taxpayer. Exec members were keen to have options</li></ul>	HGL

	<p>available that involved analysis of options to borrow in expectation of delays to land sale resulting from objections. The aim was to seek detail and reassurance for Cabinet and Council regarding risk and viability and a mix of approaches to deliver relocation project finance. SD and SP to work together to provide figures in a clear and comprehensible format to be reviewed at the next Executive Group meeting in June.</p> <ul style="list-style-type: none"> <li>• Risk Review – document is updated on a monthly basis with the Officer Group – SP explained and members discussed the risks involved and degrees of severity. Members would look at risk review on an ongoing basis at Exec Group meetings.</li> <li>• Cost Options Refresh – SP’s paper outlined the cost options outlining Build cost and on cost of energy and business rate costs etc.</li> <li>• RC will take a short report to Cabinet in June giving a progress report and highlighting the reasons for the delay in bringing a further decision report to Cabinet and Council. .</li> <li>• It was suggested that we look at ways to show the public that while undertaking this project how we have dealt with the extra cost and delays that have arisen due to objections etc. Could we look at explaining how all extra costs have been incurred through delaying tactics?</li> <li>• Comms – KJ said that more narrative was needed to provide a positive messages to staff and members on progress etc made to date and explaining reason behind delay of report.</li> </ul>	<p>SD</p> <p>SP</p> <p>RC</p> <p>KJ</p>
5.	<p><b>Skypark</b></p> <ul style="list-style-type: none"> <li>• Progress has been slow but SP is due to speak to Ian Guy and will then provide an updated programme which needs to be robust and for everyone to work to.</li> <li>• Meeting due to be on 14<sup>th</sup> May to with Eversheds in Bristol to discuss procurement and ensuring progress within EU regs. Legal advice has been sought and DCC has been asked to provide information on how the procurement procedure was dealt with previously on the Skypark site.</li> </ul>	
6.	<p><b>Marketing of Knowle and Manstone:</b></p> <ul style="list-style-type: none"> <li>• During the Tender exercise all the tenderers were interviewed. Following the receipt and detailed analysis of the tenders a scoring exercise has been undertaken which has advised on the following 3 highest scoring submissions: Savills, Thomas Lister and Vickery Holman. Out of the 3 Savills had submitted the lowest tender and had interviewed well but SP said he did have some concerns to resolve about their pricing of the scope of service required. His main concern was whether they had accounted for the level of post marketing work and any unforeseen circumstances which SP felt that they had not fully appreciated. Members were minded to Members initial reaction was to go with the tender submitted by Savills. .. SP to forward an electronic copy of the tender report and scoring matrix to Members to allow for their consideration of the appointment and / or to advise of any comments etc. –</li> </ul>	

	<p>these must be responded to SP by Monday 12 May.</p> <ul style="list-style-type: none"> <li>• Draft Local Plan –awaiting the Strategic Housing Market Assessment which is due out in July. It could be at least a year before Draft Local Plan is adopted. Meeting with Inspector likely to be convened by Matt Dickins in the autumn.</li> <li>• Rights of Way – letter has been sent to DCC with a holding objection to the implementation of the Inspectors decision. The objectors have also now objected to part of his decision. Possibility now of an Inquiry</li> </ul>	<p>SP</p>
<p>7.</p>	<p><b>Heathpark site sale discussion:</b></p> <ul style="list-style-type: none"> <li>• Recent meeting to discuss the contract for Heathpark went very well and the intention is that the document will be released early next week ready for signing with the completion the end of May or sooner. This will then allow for the start of the planning application stage to commence with an application anticipated to be submitted during early Oct 2014.</li> <li>• Interviews being held on 8 May with consultants for the review of Serviced Office space. Will need to discuss with Exec Group any outcome from those interviews before any decision is made.</li> <li>• Following meetings to look at possible depot sites no site has been identified yet but NH said that following the supermarket decision on Heathpark he felt that more sites would become available with opportunities there for a new depot. Following a review of the locations of our depots in the district it is felt that Honiton would be the best location for the main depot but also keep a presence in Sidmouth and continue to provide western district services from Exmouth. .</li> </ul>	<p>NH</p>
<p>8.</p>	<p><b>Other Matters:</b></p> <ul style="list-style-type: none"> <li>• Best Value and Equalities consultation – KJ has taken paper to SMT and will now move ahead with actual consultation. A check needs to be made on organisations and who belongs to which one. KJ/RP to look at the questions on consultation paper once more before it is issued. A further stakeholder meeting to be arranged using an independent facilitator. Consultation and stakeholder meetings to take place once we know the outcome of the TVG.</li> <li>• Regarding the provision of services in the District once the move takes place, could we investigate whether Sidmouth Town Council could be used by the public to access information as is done in other towns.</li> </ul>	<p>KJ/RP</p>

	<ul style="list-style-type: none"> <li>• ICT – Open for Business Web project – all working well at the moment apart from some IT problems – it has been identified that a resource will need to be brought in to help the project. KJ to bring back to SMT.</li> <li>• Mobile Device Policy - update needed for SMT on where we are with kits being provided for mobile workers.</li> <li>• ICT helpdesk – some concern over the resources available to cope with the demand that will arise once mobile workers come into force. Could be a short term cost not budgeted for. SD investigating.</li> </ul>	<p>KJ</p> <p>CP</p> <p>SD</p>
9	AOB: None.	
	<b>Next meeting to be held on: 4<sup>th</sup> June 2014 at 3.00pm in Richard's office</b>	

# EAST DEVON DISTRICT COUNCIL

## SUMMARY OF COMPARABLE COSTS BETWEEN HEATHPARK, SKYPARK & KNOWLE (ESSENTIAL REPAIRS ONLY)

### Cost Details

	SKYPARK	HEATHPARK	KNOWLE (ESSENTIAL WORKS ONLY INCLUDED)
<b>BUILDING COSTS</b>			
Including land costs / associated stamp duty land tax, building construction costs, and Statutory cost - S 106 / S 278	£ 9,527,803	£ 9,657,846	£ 1,566,000
Cost of replacing the EDBC	£ 2,372,018	N/A	£ 2,372,018
Cost of replacing Knowle and Manstone Depots	£ 398,000	£ 398,000	N/A
Sub total	£ 12,297,821	£ 10,055,846	£ 3,938,018
Project Costs for Knowle as at February 2014	£ -	£ -	£ 390,000
Client costs, including Project Costs, as at February 2014	£ 1,697,724	£ 1,698,846	£ -
<b>TOTAL BUILDING COST EXCLUDING FUNDING COSTS</b>	<b>£ 13,995,545</b>	<b>£ 11,754,692</b>	<b>£ 4,328,018</b>
<b>BALANCE AFTER ALLOWANCE FOR OFFSETTING EDDC IDENTIFIED ASSET VALUES AND ASSOCIATED FUNDING COSTS</b>			
Based on receipt for Heathpark of £ 4.75 mill	<u>inc</u>	<u>inc</u>	<u>£ 1,413,891</u>
Based on 50 dwellings at Knowle	<u>-£2,514,237</u>	<u>-£6,087,693</u>	<u>N/A</u>
Based on 63 dwellings at Knowle	<u>£ 370,358</u>	<u>-£2,683,962</u>	<u>N/A</u>
<b>ALTERNATIVELY FINANCIAL NETT EFFECT INCLUDING THE ABOVE BALANCE AND AFTER CONSIDERATION OF ANTICIPATED ANNUAL RUNNING COSTS OVER A TWENTY YEAR PERIOD AS COMPARED TO THE CURRENT COSTS FOR KNOWLE</b>			
Based on receipt for Heathpark of £ 4.75 mill	<u>inc</u>	<u>inc</u>	<u>£ 1,413,891</u>
Based on 50 dwellings at Knowle	<u>-£1,696,154</u>	<u>-£3,528,940</u>	<u>N/A</u>
Based on 63 dwellings at Knowle	<u>£ 661,140</u>	<u>-£1,171,646</u>	<u>N/A</u>
<b>COMPARISON OF ANNUAL RUNNING COSTS (Anticipated as at March 2015)</b>			
Annual running costs excluding Business Rates	£ 195,630	£ 186,943	£ 307,018
Ditto including Business rates	£ 484,478	£ 400,922	£ 431,239

**Note:** The Knowle comparison relates to the cost of carrying out essential repairs only to the existing building. Unlike the other locations the Knowle cost does not allow for any subsequent maintenance over the following twenty years. It should, therefore, not be considered as directly comparable to new purpose buildings at either Skypark or Heathpark

