

Meeting not open to the public

Notes of meeting the Office Accommodation Executive Group
held on
Tuesday 3 December 2013

Present:

Councillors: Paul Diviani, David Cox, Ray Bloxham

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

		Action
1.	Apologies: Councillor A Moulding	
2.	Leaders Think Tank was held on 25 November 2013 and well attended.	
3.	Noted.	
4.	Office Accommodation Project Update: <ul style="list-style-type: none">• Cost spent to date - £345,000 from a budget of £409,000.• Programme will slip back by 2 months so report will now go to Cabinet in Feb 2014 which also means we are now looking at Aug/Sept 2016 for any new build or August 2015 2105 for Clyst House. <p>Review of project:</p> <ul style="list-style-type: none">• Level of information – need to look at and not cause confusion just needs to make sense without confusion over too many options.• Heathpark – final summary of asset value valued by Thomas Lister including Exmouth Town Hall (£870,000). All values have been tested commercially. If Knowle, Manstone, Heathpark and Exm Town Hall were sold then we would be looking at receiving a figure of about £14.8m. Values irrespective of any footpath appeals (does this affect saleability of Knowle with this in the background. 1 footpath no problem but the other could cause problem for any developer• Will achieve capital receipt that will potentially provide a financial surplus for specific options – no need to borrow – how long to achieve capital receipt? JR – court application turned down – 6 months period from	

date of planning approval. If a JR is permitted to be heard a period of 24 mths will be allowed.

- The £4.8m previously identified as a potential borrowing was identified including the query whether we are limiting ourselves to £4.8m? No - just a figure we are using – the intention is that there will still be no cost to Council Tax payer. Question raised on what the tax implications re capital gains for us would be? SD to check.
- How do we sell to the public? Big PR issue. Key message needs to be ready to go out to public. We need to be very clear on the decision making process that has been undertaken and show that the decision to move is a reasonable one. Will also need to show that the correct planning process has been followed with the Heathpark site. To stay at the Knowle will cost us at least £1.6m and this is just for essential repairs i.e. repairs roof/heating etc. To rebuild on the Knowle will be in the region of £10m/£16m but this is not financially viable. We need to remind ourselves of why we are moving – what is needed is a fit for purpose/modern office accommodation.
- Cabinet made the decision to move from Knowle on 17July. It is anticipated that a report will be submitted to the Cabinet meeting in February outlining recommendations for a proposed site. RP gave an update on the legal situation concerning the above.

Costs:

Business Rates: the cost of business rates for each of the proposed sites varies from Knowle which is in the region of £121,000 to Skypark and Cranbrook which are between £200,000 & £300,000. Clyst house – utilities etc still looking at costs. Review of business rates coming up in next few years.

- Employee costs – £108,000pa
- New building - £71,72,000pa
- EDBC - £10,000 more functional costs
- Property services – £28,000

Looked at various different costs associated with the project from running costs of the Knowle to Clyst House and renting out the extra space there that would not be needed by EDDC. If we sublet the extra space at Clyst House then that would be quite straight forward in that we would be looking at roughly about £9-£12 sqft + any running costs. Professional advice would need to be gained on costs etc before any agreement was agreed with an interested party.

We also looked at the EDBC and the current running costs, these could be reduced if a new centre was constructed which would be smaller but still with the same rental space. £2m - £2.2 replaces the EDBC including site purchase (740sqm) – but there would no

longer be a display area. We need to be aware that the £200,000 (HCA) which was made available for the building of the EDBC may need to be repaid if the centre is not rebuilt.

Also included in the report was a 'do nothing' option which would mean staying at the Knowle but we would be looking at around £1.5m just on repairs and basic maintenance alone

Following the tender exercise we received 8 bids and Terrace Hill undertook an exercise of going through each bid. This was then reduced to 4 bids and following interviews with each of them again reduced to 2 bids. A final report will be prepared.

Following discussions with Managers, staff etc the amount of desk space that may be needed is in the region of 305 desks. We need to look at desk space management and a further survey may need to be taken once we are moved in. Following a visit to West Dorset District Council who have recently moved into a brand new building we were able to see how they had managed to build a 'new flexible space' which has meant that changes can be made although already moved in to accommodate staff.

A Leaders Think Tank has recently been held and discussions ranged from reducing the amount of office space we have, mobile working and the correct technology to do this i.e. hubs in various towns for officers/members of the public to use. The option to look at is what buildings are already in towns etc that will have a space that we would be able to use on a regular basis again for officers/members of the public. It is felt that we need to keep a presence in the major towns i.e. Exmouth, Honiton, Axminster etc and by setting up hubs this could be achieved.

We need to be very clear on what technology officers will need to enable them to carry out their daily duties if working mobile. ICT is very much a concern for many – we need to make sure that our systems are running smoothly.

Next steps:

Following tender exercise outcomes of successful bids to be identified in report. A decision on Heathpark to be made on 8 January 2014.

Report to be prepared for February Cabinet. Confidential briefing for members to be held before the Cabinet meeting on 5 February. This will then be followed by the Full Council at the end of February who will make the final decision.

5. **Worksmart update:** deferred to next meeting.

6. **AOB:** None

7. **Date of next Meeting:**
14 January 2014 at 2.30pm

