

## Agenda Item

Cabinet

2 May 2012

Part B



### Office Relocation - Appointment of Architectural Services, Exemption from Standing Orders

#### Exempt Information

Para 3 Schedule 12A information relating to the finance or business affairs of any particular person

#### Summary

Following the appointment of Davis Langdon as Relocation Manager, we have been carefully considering and preparing draft programmes for the relocation of the current East Devon District Council from the Knowle to a site yet to be confirmed in Honiton.

A key criterion required by East Devon District Council is to ascertain in depth the financial viability of this Project within six months. This time scale is challenging but possible as proven by our initial programmes. However, there is a very tight timetable and very little leeway allowed in our programmes, and therefore it is a priority of the project to identify the least time consuming procedures to carry out core tasks whilst maintaining cost effectiveness and due diligence.

In this context we have examined the role of the Architect and in particular the benefits of a single and final extension of Kensington Taylor's existing appointment beyond that currently instructed by EDDC. This requires an exemption from standing orders.

#### Recommendations

1. To approve further and final extension of Kensington Taylor Architects current engagement up to a sum of £27,700 (ex vat) to deliver services detailed in the report and to waive the requirement in Contract Standing Orders for three written quotations in the particular circumstances
2. To note the details of project spend to date
3. To approve a review of costs of the project viability period and receive a future report following consideration by the Office Accommodation Member Working Party on 30 May 2012

#### a) Reasons for Recommendation

To enable the project to continue through to outline planning application using existing acquired expertise and avoid 6-8 weeks project slippage.

Now that relocation management expertise is in place we are able to review and develop a more refined task list and costing of the actions necessary to determine relocation viability.

**b) Alternative Options**

To go out to competitive tender.

**c) Risk Considerations**

A single tender arrangement is allowable and can be justified. Risk has been addressed in terms of value for money through the single tender negotiation.

**d) Policy and Budgetary Considerations**

Whilst this is a single tender arrangement, the Relocation Manager, has negotiated on price with Kensington Taylor to secure contract value. Further saving has been made on the reduction in time of the Relocation Manager

**e) Date for Review of Decision**

Review will be part of the overall oversight of the project by Member Working Party, Cabinet and independent audit.

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## **1 Main Body of the Report**

### **Architectural role going forward.**

There are several key roles that will require Architectural input in the immediate future, and the following specific tasks are identified within the "Initial Overview Programme – Rev A" (see Appendix 1 attached):

- Full Royal Institute of British Architects (RIBA) Services in respect of the preparation, consultation, submission and negotiation of Outline Planning Submission for the potential works to the Knowle.
- Review, consideration, consultation and preparation of proposals for the facilities at Exmouth, including potentially alteration / modernisation of existing, or within other, premises yet to be specified.
- Client Brief - Assistance and preparation of outline drawings / sketches to illustrate finalised requirements, thereby assisting with the establishment of costs and potentially aiding any Value Engineering to be carried out by alteration of areas. This role will require attendance during formal meetings and workshops during which time the Client Brief is established and agreed
- Other liaison as reasonably considered necessary including that associated with the establishment and recommendation of potential plots in Honiton for the relocated offices.

### **Appointment of the Architect**

In normal circumstances it would be expected that a tender would be issued for the identified Architectural Services, a period that could take between 6 – 8 weeks for the preparation, issue, submission, review, reconciliation, report and recommendation. Following appointment of the successful Practice there would be a "learning curve" period whilst the overview of the Project was

advised and absorbed which could involve a further one – two weeks. To remain within the 6 month evaluation period and conclude on viability by October this time is simply not available hence the recommendation for retention of the services of Kensington Taylor.

Consideration, therefore, should be given to extending Kensington Taylor's existing commission to achieve completion of the viability exercise by October 2012. Factors to consider are;

- Kensington Taylor already have a detailed knowledge of the potential Project Works including;
  - including issues and proposals associated with the Outline Planning to the Knowle,
  - requirements for the site in Honiton and an understanding of EDDC's requirements – the " Sequential Test Survey"
  - familiar with the Council method's of working
  - has a very good professional working relationship with EDDC
  - Task report of Kensington Taylor work to date is attached at Appendix 2.
- Kensington Taylor are understood to have been the best candidate following their original appointment by EDDC. Whilst we are unaware of the details of this recommendation / appointment, in our experience it is unlikely that any other candidate would have been preferred had the extent of the revised scope of service, identified above, been available at that time.

### **Effect on Budget**

Davis Langdon are currently reviewing EDDC's advised Relocation Budget. The initial indications are that there will need to be an uplift to the allowance, and this will include the additional expenditure required by the further employment of Kensington Taylor of some £ 27,700.00 (ex VAT) discussed in this report. It is understood that once the Relocation Budget has been finalised a recommendation of the sum will be present to the Members Office Accommodation Working Party.

### **Review of Project Costing**

Attached at Appendix 3 is the latest detail of expenditure to date on the project within a current budget allocation of £200,000. As can be seen, we have so far spent £ 36850 largely on fees for initial viability work, site identification, relocation management contracting and professional advice.

Now that relocation management expertise is in place we are able to review and develop a more refined task list and costing of the actions necessary to determine relocation viability. It is likely that while some savings and downward revisions can be identified, further cost factors will need to be accounted for leading into a local consultation and outline planning exercise.

The Relocation Manager will produce a revised and costed schedule of tasks for consideration by the Office Accommodation Member Working Party on 30 May 2012 followed by report to Cabinet.



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### **Legal Implications**

Cabinet has power to waive the usual Standing Order requirement for three competitive quotations if it considers circumstances justify it. A brief should be prepared by the Relocation Manager or other technical officer which adequately describes the services being provided for inclusion in the contract – See Appendix 4

### **Financial Implications**

The financial implications are detailed in the report. The overall budget approved for this stage of the project was £200,000 to be met from the Transformation Reserve

### **Appendices:**

- Appendix 1 - Work Schedule for additional consultancy commission
- Appendix 2 – Kensington Taylor task report to date
- Appendix 3 – Relocation Project Expenditure to date

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Richard Cohen  
Deputy Chief Executive – Development Regeneration and Partnership

Cabinet  
2 May 2012



**\*199 EDDC Office relocation up-date including exemption from Standing Orders**

Members considered the report of Richard Cohen, Deputy Chief Executive giving an up-date on actions undertaken to progress the Council Office Relocation Project. Cabinet approval was sought to extend the consultancy support contract pending commencement of a selected Relocation Management resource.

The Deputy Chief Executive advised the meeting on progress in respect of the Relocation Management recruitment. An interview panel had met with 3 interested companies and had chosen Davis Langdon which had offices in Exeter and Plymouth and relevant experience of relocating business on time and within budget.

- RESOLVED**
- (1) that progress on EDDC Office relocation activity be noted including the Relocation Management recruitment,
  - (2) that an exemption under Standing Orders be agreed for an extension of the contract for Kensington Taylor to continue to support the relocation project pending handover to new Relocation Management,
  - (3) that a further sum of up to £20,000 be allocated from within the existing approved budget for initial relocation management costs.

**REASON**

To keep Members informed of progress on relocation.

To extend the contract of Kensington Taylor to reflect additional tasks required of them in the initial preparatory phase of the relocation project, maintain continuity and to support the Deputy Chief Executive and Working Parties pending arrival of a dedicated Relocation Manager.

**\*200 Performance monitoring report until January 2012**

Denise Lyon, Deputy Chief Executive, presented the performance information for the 2011/12 financial year until January 2012. Performance reports were now available on line.

Councillor Jill Elson, Portfolio Holder Sustainable Homes and Communities praised the efforts of the Housing Rental Team which had succeeded in retaining a good and improving collection rate through the traditionally difficult months of January and February.

**RESOLVED** that the progress and proposed remedial action for performance measures for the 2011/12 financial year until January 2012 be noted.

**REASON** To enable the Cabinet to continue to monitor the Council's progress in achieving excellent customer service using relevant performance measures.

