

STRICTLY CONFIDENTIAL

EDDC OFFICE ACCOMMODATION PROJECT

OFFICER WORKING GROUP MEETING 18 SEPTEMBER 2014

PROJECT MANAGERS NOTES

1. Project Overview

- a. The Project Budget continues to be carefully monitored and predicted spend remains within the Approved Budget parameter.
- b. Following Cabinet Approval on 4 June 2014, the revised approved Project budget through to the end of March 2015 now totals £ 705,568. The costs to the end of August 2014 (Period 5 / 2014) were £ 475,669 leaving a balance of £ 229,899, plus a contingency of £ 68,101.
- c. During the period since the last Officer Meeting the following key issues have occurred;
 - Preparation for the marketing and bidding process for Knowle and Manstone Depot (with the ATC site being advised as an option)
 - The meeting with DCC to discuss the possibility of EDDC purchasing a site at Skypark has been postponed.
- d. Following receipt of Savills draft brochures, adverts, press release and accompanying letters, EDDC and the Planning Consultant have carried out detailed reviews and commentaries. The Consultant has amended the documents accordingly and these have now publically released.
- e. The first related press releases confirming the sale of Knowle and Manstone were issued for the Estates Gazette, Property Week and local papers on 28th August. The first adverts in the Estates Gazette and Property Week were published on 5th and 6th September. It is understood as at 10th September there had been 15 bona fide enquiries. The tender return date remains as 22 October 2014.
- f. A draft of Savills Knowle bidding letter has been issued to attendees of the Executive Board and Officer Working Group Meetings for consideration and comment. A copy of this letter is attached to these Notes

- g. The anticipated meeting with DCC to discuss the proposed purchase of Skypark due to take place on 12 September, was postponed and a revised date still to be established..
- h. There is an increasing likelihood that negotiating with St Modwen / DCC to simply purchase a site at Skypark may not be possible and therefore other alternative procurement routes or office locations will need to be considered.
- i. Following Terrace Hill's revised offer for the Heathpark site it has been agreed to prepare a revised Heads of Terms and Contract reflecting this offer in readiness for the reconsideration by Members in December whether to sell the site or otherwise. These actions will enable a swift exchange of contract should the Members agree to proceed with the sale. It is also anticipated that this measure will ensure THH remains interested, otherwise the risk could be the Developer may walk away.
- j. The issue associated with Skypark and the revised lower offer from Terrace Hill for Heathpark has caused a reconsideration of the potential new office location to be carried out
- k. It is currently anticipated that there are four potential scenarios, other than do nothing, for the office location. These are;
 - i. Skypark
 - ii. Clyst House
 - iii. Heathpark, with a refurbishment of the existing EDBC to potentially enable EDDC use. The size of the new office could be reduced to take into consideration the potential floor area of the EDBC – circa 740 m2
 - iv. Ditto but also including a refurbishment of Exmouth Town Hall, potentially resulting in an even smaller new office footprint at Heathpark.
- l. Mindful that there will be better certainty associated with the value of Knowle and Manstone after 22 October bid return date - and that this information will enable a fresh appraisal of the various options to be carried out. The intention will be to provide a Report identifying all relevant particulars and associated options associated with these potential relocation possibilities to Cabinet and Council in December – with an extraordinary Cabinet Meeting during 17 December followed by the Council Meeting that evening.
- m. A draft task programme associated with the provision of the Review Report is annexed to these Notes
- n. Enquiries for the Clients design team via the South West Consultancy Framework will now be prepared as far as possible, but not issued until the nature of the new office is known. Accordingly the enquiry will now be issued as soon as possible after 17 December 2014.

- o. To ensure the best cost information is available for the Report, Cost Consultants at Aecom have been instructed to review all the associated Cost Estimates and to ensure the rates inserted are current market rates. The original rates date from 2012, with a cost escalator to provide an update based upon the BCIS Tender Price Indices.
- p. EDDC are also requested to consider exactly how many desks will be required for each of the above four scenarios to enable the costs to be estimated on the most up to date requirements.
- q. Pending the Members decision of the way forward, Programme AL (Rev -) remains the current programme. This document continues to identify the 6 key gateway decisions that EDDC need to consider. The programme suggests the 30th May 2017 as the date when EDDC will have fully relocated to their new office. It is anticipated that further versions of the programme will be prepared for inclusion in the financial appraisal later this year based upon differing scenarios for the Office Project, including consideration of location.
- r. Meetings with the Members Executive Project Board and Office Accommodation Officers Working Party have occurred during the period. There have also been ad hoc meetings within internal parties as required.
- s. Following the last Office Accommodation Officers Working Party Meeting on 21 August, the Relocation Manager carried out a detailed review of the Risk Register. The resultant Project Risk Register Analysis Rev N (Rev 0) dated 22 August 2014 was issued to all the normal attendees of that meeting, and subsequently to the attendees of the Members Executive Project Board for consideration and comment.
- t. Currently there are 38 Open Risks (previously 38), comprising of:
 - i. 9 Red Risks (6),
 - ii. 22 Orange Risks (25)
 - iii. 7 Blue Risks (9).

S J Pratten

17 September 2014

Encs.

Draft Savills Bidding Letter for Knowle

Draft Task Programme for the Provision of the Project Review Report

