

# **EAST DEVON DISTRICT COUNCIL OFFICE RELOCATION PROJECT**

Project Report No 53, Rev -  
For the period between 1 – 30 September 2018

**VOLUME 1**

ISSUED UNDER PART B



## Document Issue Sheet

| Issue Nr. | Doc          | File Path   | Issue Date        | Parties Sent to                     | Prepared by                                  | Reviewed by |
|-----------|--------------|---|-------------------|-------------------------------------|--|-------------|
| <u>53</u> | <u>Final</u> | <u>C:\Work\EDDC\PROJECT<br/>\Progress<br/>Reports\Progress<br/>Reports\2018\ Nr.53 \<br/>30.09.2018</u> | <u>27/10/2018</u> | <u>EDDC<br/>Executive<br/>Board</u> | <u>SJP, SA,<br/>Strata, TA<br/>Team, ICL</u> |             |

SSPP, JWW, SCata

## **VOLUME 1**

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## 1.0 Executive Summary

- 1.1 This formal Project Progress Report identifies Project issues and progress generally during the period 1 – 30 September 2018
- 1.2 During this period, the following key events have occurred;
  - Interserve Construction Ltd (ICL) has continued with the construction of Blackdown House, the New HQ at Heathpark.
  - As identified within last month's report, ICL have now formally confirmed that the project has been delayed as a result of the provision of the pattress supports for the AV repeater screens within the Chamber and the failure by EDDC's Electricity Provider to install the electric meter on 7 September. Although ICL are still to provide a detailed programme confirming the effect of the delay upon the critical path, at the Site Progress Meeting on 3 October 2018, the Contractor confirmed their estimated forecast completion date was 21 December 2018.
  - ICL have submitted an Early Warning Notice (EWN 013) in respect of supports for the pattresses and a Compensation Event Notification (CEN 014) for the supply of the electric meter.
  - In respect of both matters, ICL have been formally requested to provide further and better particulars for both matters for which they have claimed have caused both delays and associated additional costs. At the time of writing this report no response has yet been received.
  - As a result of the advised further delay to the Contract Completion date, that Council's Fit Out Programme has been revised. This has had implications for EDDC and associated suppliers including for furniture, fittings and equipment. Similarly, Strata and their subcontractors and suppliers have also been affected.
  - Whilst final details of the revised Fit Out Programme are still being concluded, the key milestone date for the Council being Open for Business at the Blackdown House is confirmed as being 11 February 2019.
  - In the past month, the roof plant screens have been installed, most of the external doors and windows have been fitted, second fix generally are well underway with suspended ceiling grids installed on the ground and first floors, floor laying works have commenced.
  - The electric meter has also been installed, which allowed the lift installation to commence. The BT ducts and chambers have been completed, thereby allowing the installation of the Openreach cable. The gas connection has been made and the gas kiosk installed. The water connection has been inspected and passed the trench inspection.

- Externally, the retaining wall along Gloucester Crescent is being constructed. The generator slab has been cast and the hard landscaping works are progressing around the perimeter of the building.
- The new link road and car park works have been completed, other than the commissioning of the new streetlighting, which is understood will be finalised before the end of October prior to the clocks changing.
- Interserve have confirmed that no reportable accidents have occurred on site since the Project commenced on 24 July 2017
- Discussions regarding the incorporation of a Time Capsule within the external works are ongoing with Interserve.
- The 12 Months Defects Certificate for Exmouth Town Hall has been issued and the Contractors proposals including programming details for the necessary remedial works are awaited to ensure any disruption to the occupants of the building will be minimal or mitigated.
- At the new Office facilities at Manstone Depot, second fix carpentry, electrics & plumbing, and CCTV & Intruder alarm works are now complete. Floor coverings due to be laid in early October. BT Openreach is now booked for 11<sup>th</sup> October. IT and furniture will follow. Building Control inspections are all up to date with no issues. Project on track and completion on target for end of October with occupation planned for mid-November.
- Liaison with PegasusLife has continued. Regular monthly meetings have been arranged through to the anticipated target Vacant Possession date next year.
- PegasusLife will carry out additional non-invasive investigations and surveys at Knowle during the coming months including a bat dusk to dawn survey and inspection of several trees.

1.3 Strata have provided their Project Highlight Report for the period from 23 August to 19 October 2018. This report provides updates on the AV procurement and design, HFX, BT / Openreach / Virgin Media, Comms Room, PC Audit, Monitor Arms, Hardware purchases and programme. Many of the latter dates identified within the Strata Report need to be updated to accord with the new Fit Out Programme. It is noted that the RM does not agree with several of the advised comments within Strata's report. Strata's Project Highlight Report is further discussed in Chapter 4 and annexed within Volume 2 of this Report.

- 1.4 The overall Project Budget, as defined at the Council meeting on 26 April 2017, is £10,586,000. All relevant expenditure, including accruals to 30 September 2018 totals £8,411,952 This leaves a balance from the overall Project Budget of £2,174,048 This balance includes for both the respective Project Construction Costs and, as a separately specific element, Client Costs. Project Costs are further discussed in Chapter 7 of this Report. A copy of the Interim Cost Report is included in Volume 2 of this Report.
- 1.5 Risk Reviews have continued to be regularly carried out. The current Risk Register is Rev AY (Rev 0) dated 23 October 2018, which confirms 47 Open Risks (previously 47), comprising of;
- 5 Red Risks (previously 5),
  - 30 Orange Risks (30)
  - 12 Blue Risks (12).
- 1.6 One existing risk was closed, and an additional risk has been added during the period. A total of 160 risks have been closed to date.
- 5.2 Interserve's share price continues to be monitored. At the end of September 2018, the price was 58.50 (end of August was 66.40). At the time of writing this report, 23 October 2018, the price was 50.70 (Last month for the Joint Executive and Officer Meeting on 22 August 2018 it was 59.00). This is a reduction from the price at the end of March when it was 81.75 and is considerably lower than that at the end of January of 106.8. As previously, there does not appear to be any detrimental effects on site such as loss of subcontractors or the lack of plant and materials. The RM will continue to monitor the situation.
- 1.7 Members and Senior Officer visited Blackdown House on 26 September 2018, following the Joint Cabinet and SMT+ meeting at the EDBC that day.
- 1.8 Pre-arranged and ad hoc meetings between Officers, Members and External Consultants have continued during the period.

## **2.0 Particulars of Progress and Key Project Issues**

### **2.1 Blackdown House, Honiton**

- 2.2 Interserve Construction Ltd (ICL) has continued with the construction of Blackdown House, the New HQ at Heathpark.
- 2.3 As identified within last month's report, ICL have now formally confirmed that the project completion date will be delayed as a result of the provision of the pattresses supports for the AV repeater screens within the Chamber and the failure by Total Gas and Power (EDDC's Electricity Provider) to install the electric meter on 7 September. The meter was eventually installed on 21 September 2019
- 2.4 In respect of the AV supports, this appears to have been caused by a late realisation by ICL that the previously identified screens and brackets could not be safely supported by the riser duct partitioning.
- 2.5 The issue of the late install date of the meter is all the more frustrating because TGP provided express confirmation of their intention to install on 7 September.
- 2.6 Although ICL are still to provide a detailed programme confirming the effect of the delay upon the critical path, at the Site Progress Meeting on 3 October, the Contractor confirmed their estimated forecast completion date was 21 December 2018.
- 2.7 In respect of the two matters, ICL have submitted an Early Warning Notice (EWN 013) in respect of supports for the pattresses and a Compensation Event Notification (CEN 014) for the supply of the electric meter.
- 2.8 ICL have been formally requested to provide further and better particulars in respect of the matters which they have claimed have caused both delays and associated additional costs. At the time of writing this report no response had yet been received.
- 2.9 Previously, ICL Programme 10 identified a Project Completion date of 23 November 2018. The further delay to 21 December, represents a delay of another four weeks.
- 2.10 As a result of the advised further delay to the Contract Completion date, that Council's Fit Out Programme has been revised. This has had implications for both EDDC (including associated suppliers including for furniture, fittings and equipment) and Strata and their subcontractors and suppliers.

2.11 Although final details of the revised Fit Out Programme are still being concluded, there are a number of key milestone date that are now apparent, including;

- Fit out works because of the Christmas / New Year holiday cannot commence until 2 January 2019
- Blackdown House Open for Business date is now Monday 11 February 2019

2.12 During the past month, the following works have progressed;

- the roof plant screens have been installed. It is noted that the top of the AHU remains exposed and ICL have been asked to ensure this issue is addressed,
- most of the external doors and windows have been installed including the curved sliding door and adjacent escape door,
- second fix works generally are well underway with suspended ceiling grids installed on the ground and first floors,
- floor laying works have also commenced this month,
- the comms room has progressed with flooring laid to allowing the installation of the comms cabinet
- the electric meter has also been installed,
- the lift installation has subsequently commenced,
- BT ducts and chambers have been completed, thereby allowing the installation of the Openreach cable,
- the gas connection has been made and the gas kiosk installed,
- the water connection has been inspected and passed the trench inspection.
- Externally the retaining wall along Gloucester Crescent is being constructed.
- The generator slab has been cast and the hard landscaping works are progressing around the perimeter of the building.
- The new link road and car park works have been completed, other than the commissioning of the new streetlighting, which is understood will be finalised before the end of October prior to the clocks changing.

2.13 The Contractor has also identified the following matters that may affect progress;

- The incorrectly located gas main has prevented the retaining wall from being built before the scaffold. It will now have to be built after the scaffold and with restricted access.
- Electric meter installation
- The additional AV screen support brackets required in the Chamber
- Installation of HFX cables to doors with access control
- Additional AV containment and cables

2.14 The Contractor has identified the following planned activities for next month;

- Continue roof mounted plant installation
- Completion of scaffold removal
- Complete ceilings on all floors
- Continue 2<sup>nd</sup> fix works
- Complete the lift installation
- Continue painting and decorating
- Continue floor laying
- Testing and commissioning
- Snagging Works
- Completion of the link road streetlighting heads
- Continuation of main contract external works

2.15 The Contractor has advised that no time was lost during the period as a result of weather

2.16 The Contractor has continued to advise that there have not been any reportable accidents on site since contract commencement on 24 July 2017.

2.17 ICL's internal H&S advisor, who regularly attends the site, has not identified any significant issues, only moderate trivial risks, within his latest report. It is also advised that appropriate risk controls are in place or have been agreed and implemented.

2.18 EDDC's Consultant CoW is regularly attending site and is providing interim/summary reports. Whilst he has not identified any significant issues, he has provided commentaries on several issues including cracked screeds, bolt pull out tests, fire protection and bricklaying workmanship.

2.19 A Contract Administration Tracker for works at Blackdown House is being maintained by the RM. The following is a summary of the Contract Administration carried out to 30 September 2018;

|  |        |
|--|--------|
| Contractors Compensation Event Notification  | 13 Nr. |
| Contractors Early Warning Notices            | 13 Nr. |
| Employers Early Warning Notice               | 5 Nr.  |
| Employers Formal Quotation Requests          | 6 Nr.  |
| Employers Notification of Compensation Event | 32 Nr. |
| Employers Project Managers Communication     | 75 Nr. |

- 2.20 The fifteenth valuation for the works was received on 27 September, assessed and subsequently certified for payment on 5 October 2018.
- 2.21 The installed time-lapse camera continues to record regular photographs of the site progress at approximately ten-minute intervals during the working day. An initial short film has now been provided, and this will be updated as progress proceeds.
- 2.22 Discussions regarding the incorporation of a Time Capsule within the external works are ongoing with Interserve. It is anticipated Local Primary Schools will be involved, and potentially a ceremony could be incorporated into a formal opening of the building
- 2.23 The S171 Stopping Up Order for Border Road has now been granted, while the Sections 38 / 278 Applications have been submitted and liaison continues to take place between EDDC, DCC Highways, ICL and the Novated Designers.
- 2.24 The 12 Months Defects Certificate for Exmouth Town Hall has been issued and the Contractors proposals, including programme particulars for the necessary remedial works is awaited to ensure any disruption to the occupants of the building will be minimal or mitigated.
- 2.25 For the new Office facility building at Manstone Depot, second fix carpentry, electrics & plumbing, and CCTV & Intruder alarm works are now complete. Floor coverings are due to be laid in early October. BT Openreach is now booked for 11<sup>th</sup> October. IT and furniture will follow. Building Control inspections are all up to date with no issues. Project on track and completion on target for end of October with occupation planned for mid-November
- 2.26 Liaison with PegasusLife has continued. Regular monthly meetings have been arranged through to the anticipated target Vacant Possession date next year. A copy of their updated Development Programme and proposed location of their site compound have also been received.
- 2.27 PegasusLife will carry out additional non-invasive investigations and surveys at Knowle during the coming months including a bat dusk to dawn survey and inspection of several trees in August.
- 2.28 Members and Senior Officer visited Blackdown House on 26 September 2018, following the Joint Cabinet and SMT+ meeting at the EDBC that day.
- 2.29 Liaison with the TA Team has continued with members visiting and reporting on both sites and associated matters.
- 2.30 Copies of the Contractor's Report Nr. 15 for Blackdown House together with the TA Teams individual respective Reports are included within Volume 2 of this Progress Report

### **3.0 Facilities Management – Updates.**

#### **3.1 Blackdown House**

Arrangements for the time capsule exercise are being commenced with initial meeting with Interserve planned for 8<sup>th</sup> October.

Quotations received for the removals contract, awarded to lowest price contractor, Pickfords.

Expression of interests received for signage contract, six suppliers to be selected and requests for quotations will be sent out in October.

Updated proposals for off-site storage and clearance of Knowle went to SMT and were agreed.

#### **3.2 Exmouth Town Hall**

Business as usual. End of 12 months defects inspections occurred on the 21<sup>st</sup> September, and lists for rectification have been issued to Interserve.

#### **3.3 Manstone Depot (move from Knowle Depot)**

Second fix carpentry, electrics & plumbing, and CCTV & Intruder alarm works are now complete. Floor coverings due to be laid in early October. Waiting on BT Openreach, now booked for 11<sup>th</sup> October. IT and furniture will follow. Building Control inspections are all up to date with no issues. Project on track and completion on target for end of October with occupation planned for mid-November.

## 4.0 Strata Report

- 4.1 Strata have provided their Project Highlight Report for the period between 23 August and 19 October 2018
- 4.2 This report provides updates on the AV procurement and design, HFX, BT / Openreach / Virgin Media, Comms Room, PC Audit, Monitor Arms, Hardware purchases and programme. Many of the latter dates identified within the Strata Report programme need to be updated to accord with the latest Fit Out Programme
- 4.3 The report's Executive Summary identifies issues during the period, including in abbreviated format ;
- AV Update
    - Procurement waiver has been signed off allowing us to appoint Public-I. This has allowed them to attend site and complete a full AV design for approval. Design released including revisions to cable spec.
  - HFX
    - Engineers have attended site and checked all the doors requiring HFX installation.
  - BT/Openreach/VMB/Ducts
    - Main line has been pulled in from the road despite some delays and confusion to when this was due to happen. Analogue lines are due to be installed on the 31st October and Virgin Media is expected to install their services 24th October. Duct route to EDBC still incomplete due to some issues with Border Road.
  - Comms Rooms
    - Appear to be progressing well with power to ground floor comms room almost complete.
  - Hardware Purchases
    - UPS and Network Switches has been purchased and delivered.
  - Time
    - Slightly behind on AV procurement but not an issue finishing on time HFX currently have issues with completing before official opening due to not being able to get on site this year.
- 4.4 Please note that within Strata's Executive Report matters have been advised with which the RM is not in agreement.
- 4.5 A high-level Budget update is also provided within this Report, advising that the actual/anticipated spend remains within budget.
- 4.6 A copy of Strata's Project Highlight Report for the period between 23 August and 19 October 2018 is annexed within Volume 2 of this Report

## 5.0 Risk Management

- 5.1 Since the commencement of the Project, the RM has provided and been responsible for a live Project Risk Register document.
- 5.3 Project Risks are regularly reviewed and updated as necessary following weekly discussions between Deputy CEO, RM, and FM. During the regular meetings of the Joint Members Executive Project Board & Relocation Officer Working Group and Design Team / Site Progress Meetings (with Aecom and Interserve) there are specific agenda items for the review of risk.
- 5.4 There are also Risk Workshops at regular intervals with representatives from the Executive Group and Officer Working Party in attendance. The next Risk Workshop is due to be held on 3 October.
- 5.5 The RM also updates the Risk Register on an ad hoc basis when a new risk becomes apparent, or an identified risk is no longer applicable.
- 5.6 Risks are identified under three categories;
  - Red Risks - Medium to long-term effect and expensive to recover
  - Orange Risks – Medium term effect, which may be expensive to recover.
  - Blue Risks – Short to medium term effect
- 5.7 Following the Risk Workshop and discussions during the Joint Executive Officer Meeting on 3 October the RM, has carried out a detailed review of the Risk Register taking into consideration advised comments, current progress and issues. The resultant Project Risk Register Analysis is Rev AY (V 0) dated 23 October 2018 which has been prepared and will be issued for ongoing consideration and comment.
- 5.8 Currently, there are 47 Open Risks (previously 47) based on Rev AY (V 0), comprising of;
  - 5 Red Risks (previously 5),
  - 30 Orange Risks (previously 30)
  - 12 Blue Risks (previously 12).
- 5.9 One existing risk was closed, and an additional risk has been added during the period. A total of 160 risks have been closed to date.

- 5.10 Interserve's share price continues to be monitored. At the end of September 2018, the price was 58.50 (end of August was 66.40). At the time of writing this report, 23 October 2018, the price was 50.70 (Last month for the Joint Executive and Officer Meeting on 22 August 2018 it was 59.00). This is a reduction from the price at the end of March when it was 81.75 and is considerably lower than that at the end of January of 106.8. As previously, there does not appear to be any detrimental effects on site such as loss of subcontractors or the lack of plant and materials. The RM will continue to monitor the situation.
- 5.11 Further Risk Workshops will continue to be held so long as a reasonable need is identified with Members and Officers of the Project Executive Board, SMT and Officer Working Group invited to attend.
- 5.12 While copies of the Risk Register will be issued during the Joint Members Executive Board and Officer Working Party Meetings, it has been agreed for confidentiality reasons that copies of the Risk Register will not be included in the Project Progress Reports.

## 6.0 Project Programme and Key Milestones

- 6.1 The agreed Contract Programme for Blackdown House has an overall period of 64 weeks, with a commencement date of 24 July 2017 and a Contract Completion date of 15 October 2018. As part of the contract negotiation, it has been agreed that a further six weeks beyond 15 October 2018 will be LAD free should the Contractor overrun.
- 6.2 The Contractor issued his latest iteration of the construction programme, Rev 10 on 16 August 2018 for acceptance. The programme continues to advise of a completion date of 23 November 2018. This programme has been formally accepted on 31 August 2019, together with advisor comments.
- 6.3 At Site Progress Meeting on 3 October, the Contractor confirmed their estimated forecast completion date was now further delayed to 21 December 2018 as a result of apparent delays incurred through the provision of the pattresses supports for the AV repeater screens within the Chamber and the failure by EDDC Electricity Provider to install the electric meter on 7 September. Although ICL are still to provide a detailed programme confirming the effect of these delays upon the critical path, they have issued formal EWN and CEN notifications.
- 6.4 The original Heathpark Project Programme identified a six-week period for Client Fitting Out works. This period continues to be reviewed in consideration of the delays by the Contractor – and in particular the fact that the fitting out period will now commence after Christmas. Although the latest Fit Out programme continues to identify an overall period of 6 weeks, the first move tranche now occurs after 4 weeks of fitting out.
- 6.5 Based upon the revised completion date of 21 December 2019 it is now anticipated that the three tranches of moves from Knowle would occur on;
- Tranche 1 Friday 25 January – Sunday 27 January 2019
  - Tranche 2, Friday 1 February – Sunday 3 February 2019
  - Tranche 3, Friday 8 February – Sunday 10 February 2019
  - Blackdown House Open for Business – Monday 11 February 2019.
- 6.6 The current Project Programme PreC R (V 0), dated 27 October 2018 is included within Volume 2 of this Report. This programme is based upon Interserve’s Programme 10 with the amendment of the completion date now being 21 December 2018 as advised in 3 October 2018
- 6.7 The following table confirms the key Project Programme dates based upon this programme

| Event   | Date             |
|---|------------------|
| Gateway Decision Nr 2 – Appointment of Multi-Disciplinary Design Team | 28 August 2015   |
| Approval of Aecom RIBA Work Stage 1 proposal                          | 27 November 2015 |

|  |  |
|--|--|
| Gateway Decision Nr 3 – Approval of Aecom RIBA Work Stage 2 - Brief and Concept Designs  |  |
| Exmouth Town Hall  | 15 February 2016   |
| Heathpark, Honiton   | 8 March 2016   |
| Gateway Decision Nr 4 - Initial Appointment of identified Contractor – Interserve - on a Pre-Construction Agreement basis.                                     | 23 November 2015   |
| Gateway Decision Nr 5 – Exmouth Town Hall Approval of Aecom RIBA Work Stage 3; Agreement to proceed to RIBA Plan of Work 4                                     | 5 April 2016   |
| Gateway Decision Nr 5 – Heathpark Approval of Aecom RIBA Work Stage 3 – Agreement to submit Planning Application – Agreement to proceed to RIBA Plan of Work 4 | 6 May 2016   |
| Gateway Decision Nr 6 – Approval of Aecom RIBA Work Stage 4 – Technical Design for Exmouth Town Hall & Heathpark, Honiton                                      | 26 July 2016   |
| Detailed Planning Application considered for EDDC Offices at Heathpark, Honiton  | 1 November 2016  |
| Detailed Planning Application considered for EDDC Offices at Exmouth Town Hall, by Delegated Authority.  | 7 December 2016  |
| DM to consider PegasusLife Ltd Planning Application for the Knowle   | 6 December 2016  |
| Extraordinary Cabinet Meeting and Council Meeting to consider accelerated delivery of the Refurbishment Works to Exmouth Town Hall.                            | Cabinet Meeting<br>14 December 2016<br><br>Council Meeting<br>21 December 2016 |
| Refurbishment of Exmouth Town Hall (Mobilisation commences). Formal Contract commencement date 13 February 2017  | 30 January 2017  |

|  |   |
|--|---|
| <p>Members Decision regarding the Heathpark Opportunities</p>  | <p>Cabinet Meeting<br/>5 April 2017</p> <p>Joint Scrutiny, O&amp;A,<br/>Governance Meeting<br/>18 April 2017</p> <p>Council Meeting<br/>26 April 2017</p> |
| <p>Construction of New Office at Heathpark<br/>(Contract commencement)</p>   | <p>24 July 2017</p>   |
| <p>Refurbishment of Exmouth Town Hall<br/>(Certified Contract Completion Date)</p>   | <p>25 September 2017</p>  |
| <p>EDDC relocates to refurbished Exmouth Town Hall</p>   | <p>13 November 2017</p>   |
| <p>Construction of New Office at Heathpark<br/>(Contract Completion Date)</p> <p>Revised Completion date as advised by the Contractor – but awaiting formal programme</p>  | <p>15 October 2018</p> <p>21 December 2018</p>  |
| <p>EDDC relocates to New Office at Heathpark, over three weekends, between</p> <p>Blackdown House Open for Business</p> <p>Vacant Possession is achieved at Knowle and Pegasus complete sale including payment of the balance of monies.</p> | <p>25 January to<br/>10 February 2019</p> <p>11 February 2019</p> <p>Antic by end of April<br/>2019</p>   |

## 7.0 Project Cost Report

7.1 In the period, the RM has continued to review and manage the costs for the Project

7.2 The Council Decision on 26 April 2016 confirmed the overall Project Budget in the sum of £ 10,586,000. Formal Approvals that total this sum are as follows;

|   |             |
|---|-------------|
| • Original budget before Aecom’s appointment  | £ 200,000   |
| • Uplift approved by Cabinet 5 September 2012   | £ 114,354   |
| • Uplift approved by Cabinet 17 July 2013   | £ 95,333    |
| • Uplift approved by Cabinet 5 February 2014  | £ 92,000    |
| • Uplift approved by Cabinet 4 June 2014  | £ 203,881   |
| • Formal Approval by Council 25 March 2015 to Proceed with the Project, subject to Gateway Decisions        | £ 9,020,887 |
| • Uplift to accelerate the refurbishment works at Exmouth Town Hall approved by Council on 21 December 2016 | £ 408,000   |
| • Uplift to enable Heathpark to proceed approved by Council 26 April 2017                                   | £ 226,545   |
| • Allowance for a new access road to Heathpark, within EDBC as approved at Council Meeting 26 April 2017    | £ 225,000   |

7.3 All relevant expenditure, including accruals to 30 September 2018 totals £8,411,952 This leaves a balance from the overall Project Budget of £2,174,048 This balance includes for both the respective Project Construction Costs and, as a separate specific element, Client Costs.

7.4 In comparison of the budget to actual expenditure, the following is confirmed;

|  | <b>Budget</b> | <b>Expended to Date</b> | <b>Balance remaining</b> |
|--|---------------|-------------------------|--------------------------|
| Viability / Appraisal Stage -<br><b>* Note</b>                 | £ 624,761     | £ 624,761               | £ 0                      |
| Pre-Contract – RIBA Plan of Work Stages 1 – 4<br><b>+ Note</b> | £ 1,120,000   | £ 1,111,655             | £ 8,345                  |
| Post Contract – Plan of Work Stages 5 – 7                      | £ 8,616,239   | £ 6,503,246             | £ 2,112,993              |

|  |                     |                    |                    |
|--|---------------------|--------------------|--------------------|
| Access Road to New Office through EDBC | £ 225,000           | £ 172,290          | £ 52,710           |
| <b>TOTAL</b>                           | <b>£ 10,586,000</b> | <b>£ 8,411,952</b> | <b>£ 2,174,048</b> |

Notes

- \* *The original approved budget for the viability/appraisal stage was £705,568. As this stage has now been achieved, the Budget figure has been amended to reflect actual expenditure. The balance has been transferred to the subsequent stages of the Project.*
- + *Budget allowance identified for pre-contract stage amended to reflect the anticipated actual costs based upon the appointments of Aecom and Interserve. This figure has been updated from the originally advised allowance to reflect the latest anticipated expenditure based upon the current programme. The overall Budget figure remains unaltered*

7.5 A summary of the costs to date advises the following expenditure.

|       |  |   |                    |
|-------|--|---|--------------------|
| 7.5.1 | Knowle Outline Planning Application      | £ | 112,329            |
| 7.5.2 | PM, Surveying, and Valuation Costs       | £ | 988,373            |
| 7.5.3 | Sundry Client Costs                      | £ | 305,506            |
| 7.5.4 | Multi-Disciplinary Design Team           | £ | 775,078            |
| 7.5.5 | Sundry Survey costs and associated works | £ | 40,953             |
| 7.5.6 | Construction and associated costs        | £ | 6,012,096          |
| 7.5.7 | Commercial and Valuation Costs           | £ | 63,090             |
| 7.5.8 | Audit and associated Costs               | £ | 37,766             |
| 7.5.9 | Legal assistance and advice. VAT advice  | £ | <u>76,761</u>      |
|       | Total                                    |   | <u>£ 8,411,952</u> |

Other categories will be added when associated costs are incurred. Re categorisation may also occur

7.6 Based upon advised anticipated costs to date, including Aecom’s cost advice, agreed contract sum for Blackdown House Heathpark, Strata’s current budget estimate and relevant other matters, it is confirmed that the forecast final overall cost is on budget.

7.7 A full review/reconciliation of the costs compared to the original budget allowances is included in Cost Report Nr 41 (Rev 1), a copy of which is annexed within Volume 2 of this Report.

- 7.8 The Cost Report is based on the capital receipt for Knowle offered by PegasusLife Ltd. It does not reflect potential further receipts that the Contract may provide.

Submitted by:

Steve Pratten - EDDC Relocation Manager

Simon Allchurch – EDDC Project and Facilities Manager

Steve Roach – Strata Infrastructure Officer

