

# Meeting not open to the public



District Council

Date: 5 November 2014  
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Our Reference: AMH

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

## Office Accommodation Project Executive Group Wednesday, 5 November 2014 – 1500 - 1700 hrs. – Room 1

### AGENDA

	Responsible Officer
1. Apologies	RC
2. Approval of previous meeting notes	RC
3. Matters arising	RC
4. Savills presentation of their interim Knowle and Manstone Bid Review Office Accommodation Project particulars:	Savills
5. Relocation Managers Report	SP
a. Project cost to date	
b. Reconsideration of potential location of new office based upon latest draft cost value reconciliation advice.	
c. Project issues and updates where relevant	
i. Skypark	
ii. Clyst House / [REDACTED]	
iii. Heathpark - including consideration of smaller Heathpark facility (170 desks), refurb Exmouth Town Hall (80 desks) for EDDC use.	
iv. Other locations – reconsideration of previous options	
d. Programme implications including identification of critical dates	
e. Risk Review – ( New + Red and Orange Risks Only)Critical	

5. Knowle and Manstone
- a. TVG, RoW
  - b. Draft Local Plan
    - i. Windfall / Draft allocation
    - ii. Five Year Land Supply
    - iii. SHMA
6. 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
7. Any other business
8. Date of next meeting:
- 3 December 2014
  - 7 January 2015
  - 11 February 2015
  - 18 March 2015

# Meeting not open to the public

**Notes of meeting the Office Accommodation Executive Group  
Held on  
Wednesday 5 November 2014**

**Present:**

Councillors: Paul Diviani, David Cox, Ray Bloxham, Andrew Moulding

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

		Action
1.	<b>Apologies:</b>	
2.	<b>Minutes of previous meeting held on 1 October 2014: agreed.</b>	
3.	<b>Matters arising:</b> to be picked up further during this meeting.	
4.	<b>Marketing and Bidding process update:</b>  Savills gave an update on those Bids received following the Marketing Exercise for the Knowle & Manstone;  ➤ 7 offers were received from: <ul style="list-style-type: none"><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li><li>▪ [REDACTED]</li></ul> Most of the offers were made with allowances included to cover such works as demolition, asbestos removal, site surveys etc.  ➤ Each bidder was sent a list of questions to answer along with the bidding pack. Savills are still reviewing the provided responses. It is anticipated the bidders replies will be collated to a summary within Savills final report. It was agreed in principal to invite for interview subject to satisfactory scoring in consideration of the evaluation criteria: <ul style="list-style-type: none"><li>▪ EDDC</li></ul>	

- [REDACTED]
- [REDACTED]
- [REDACTED]

Those not invited for interview will be formally advised by Savills in due course that they are not being invited for interview. Ed Heynes, Planning Consultants has had an initial look at the bids received and has some concerns on [REDACTED] This issue will be picked up at interview.

A schedule was prepared and circulated to the group showing an analysis and valuation of the Bids received and to show them on a comparative footing with bids, allowances, S106 and CIL allowances.

Each stated offer is subject to a list of conditions, all of which need to be taken into consideration when reconciling the submissions. It is considered that both [REDACTED] have been realistic in what allowances each have advised. Once we get to the exchange of contract stage, subject to the discharge of conditionality when planning is sought, we will have a greater certainty on the final value of the referred bidders submission. An exclusivity period of time prior to the exchange of contract will be required by the preferred bidder whilst he holds pre app discussion with the LPA, investigates the site and other associated matters. It is possible that, depending on what is found, the value of the bid may be adjusted. [REDACTED]

More discussion will take place during the interview stage regarding each respective proposed bid including in particular details of the bidders proposal regarding the development on the site. The interview will lead to the next step of the process. A scoring exercise will also be undertaken following the interviews using the set evaluation criteria which were identified during the bidding process. Following on from the interviews there may still be a need for clarification from those interviewed and this will be requested as necessary within a set time frame.

RC confirmed that a recent meeting had been held between [REDACTED]

[REDACTED] Following that meeting, it is now understood that this potential possibility is no longer be an option.

It is now anticipated that, notwithstanding the EU Developer procurement issue, the value of THH's latest revised bid will not provide sufficient financial receipt for Skypark to be a realistic option

We need to consider revisiting the other sites options which are still available to the Council. The need to consider the total upfront costs and any short / long term funding associated will continue to prevail.

There is also a requirement to consider the baseline viability in comparison with the annual running costs of the Knowle over a twenty year period. The cashflow will also need to consider the date(s) for capital receipts and the interim project funding for this period. If the Heathpark site becomes a possible option again for the Council we will need to evaluate the option based upon either a possible standalone building, or a building incorporating the Business Centre.

There could also be an option of a Depot behind the Office site. Simon Allchurch has been looking at the outline design of the new Depot. He is also preparing a detailed Building Condition Survey report for Exmouth Town Hall, which is a potential option for relocation for some EDDC staff. This report will allow greater certainty to be provided for the refurbishment costs.

We need to be able to manage the expectations of the Members and be ready to provide reasoned detailed replies to any enquiries that may be raised. In particular details confirming why we cannot just refurbish the Knowle (economically unviable) and why are we happy now to move to Exmouth (EDDC already own this purpose built Council Office). RC to present a confidential Members Briefing, probably prior to the Cabinet Meeting on 3 December, giving an overall Project update., which will include options open to the Council including an outline of the bids received and borrowing particulars, etc. . The Briefing is also anticipated to show how a move to Honiton/Exmouth could work and the impact it would have on the way we as a Council would work in the future. A move to a more modern and flexible building is still needed.

We now need a strong narrative to take us through to the next key milestone for the Project including confirmation on what is viable and not. We need to give an indication to staff and stakeholders advising on the conclusion reached and the option(s) economically available. The Report to Cabinet in December will be a detailed updated report.. It will seek the delegated authority for the Executive Board to select a preferred bidder, based upon the evaluation criteria, so that an exclusivity period can be offered during which time the preferred bid can carry out pre app discussions with the LPA and site investigatory works, etc.

5.

**Other matters:**

- Meeting with DCC to be held to discuss Skypark to be arranged urgently
- Legal – formal report from Savills needed for the disposal of Knowle and authority to work with the preferred developer.
- Risk Review – document updated following receipt of bids.
- TVG/PRW – no further update on either matter.
- Draft Local Plan – Inspector looking to reconvene in Spring 15 – any application received for the Knowle may have to be consider under a new Local Plan.

8.	<b>Next meeting to be held on:</b> <ul style="list-style-type: none"><li>• 3 December 2014 at 3.00pm</li></ul> Anna – could you populated this section for the next already arranged meetings?	
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