

Meeting not open to the public

**East
Devon**

District Council

Date: 29 July 2014
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To: Councillors: Paul Diviani, Andrew Moulding, Ray Bloxham
David Cox

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

Office Accommodation Project Executive Group Tuesday 29 July 2014 – 1000 hrs. – Room 67 (Richards Office)

AGENDA

	Responsible Officer
1. Apologies	RC
2. Approval of previous meeting notes	RC
3. Matters arising	RC
4. Relocation Managers Report	
a. Project Overview	
b. Project Costs to date	
5. c. Project Programme, including key milestone dates	SP
d. Risk review	
6. Skypark	SP
a. Site procurement	
b. Design Team procurement	
7. Heathpark	SP
a. Progress in achieving agreement with Terrace Hill	
b. Anticipated programme	
c. EDBC succession	
d. Replacement for Knowle and Manstone Depots update	NH

i.

8. Knowle and Manstone
 - b. Marketing and bidding progress **SP**
 - c. Planning Consultant
 - d. TVG, RoW
 - e. Draft Local Plan **NH**
 - i. Windfall / Draft allocation
 - ii. Five Year Land Supply
 - iii. SHMA

9. Other matters **KJ**
 - 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

10. Any other business

11. Date of next meeting:
 - 3 September 2014
 - 1 October 2014
 - 5 November 2014
 - 3 December 2014
 - 7 January 2015
 - 11 February 2015
 - 18 March 2015

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Notes of meeting the Office Accommodation Executive Group
Held on
Tuesday 29th July 2014

Present:

Councillors: Paul Diviani, David Cox, Ray Bloxham, Cllr A Moulding

Officers: Richard Cohen, Steve Pratten, Simon Davey,

		Action
1.	Apologies: Mark Williams, Karen Jenkins, Rachel Pocock, Nigel Harrison	
2.	Minutes of previous meeting held on 4 June: agreed. Following some amendments to the minutes a revised set will be sent by email to the Group.	
3.	Matters arising: Items to be discussed further in agenda.	
4/5	Relocation Managers Report: <ul style="list-style-type: none">• Project Costs to date: project costs to date are a spend of £436,247 from the updated budget of £705,568 leaving a balance of £269,321, including a contingency allowance of £40,351.• Project Programme/Procurement update:<ul style="list-style-type: none">○ The programme has been delayed by one month due to the TVG which has now been formally rejected by Devon County Council. Advice from Savills regarding the marketing exercise of Knowle and Manstone Depot is to avoid summer holidays and begin at in September.○ The programme identifies 6 Gateway decisions to work through with Decision 6 being the final decision to formally buy the site and appoint the contractor to proceed with the build. Under the current timetable the construction period would be around 23 March 2016 – 30 May 2017 with a relocation in May 2017• Risk Review: the latest Risk Review was carried out on 10 July 2014 following receipt of formal advice from DCC confirming the Knowle TVG application has been refused.	SP

	<p>This issue had been identified as a potentially significant risk to the project, and as a result of DCC confirmation two risks were omitted, several others amended and a further two reclassified.</p>	
<p>6.</p>	<p>Skypark: a recent meeting between EDDC, St Modwen and respective lawyers was held to discuss the possibility of the Council purchasing the plot at Skypark. St Modwen explained that they were in a JV with DCC for the Skypark scheme and therefore, would need to liaise with their partner to ascertain whether such a purchase would be possible.</p> <p>St Modwen is unwilling to sell the site without them undertaking the development and receiving the development management fee. They will discuss the position with DCC, but have also identified other procurement options such as a new OJEU procurement process or a contract whereby they have the right but not the obligation to provide a completed development for the Council. If the OJEU procurement route is followed then there will be a delay to the project.</p> <p>On the understanding that the SWCF is the Council's preferred framework, draft enquiry documents are being prepared to enable the tender for the Clients Design Team to be issue. A further meeting is to be arranged between DCC/EDDC to discuss.</p>	<p>RC/SP/RP</p>
<p>7.</p>	<p>Heathpark site sale discussion: Terrace Hill have revised their offer for the Heathpark site, the developer cited the revised requirements of their client now wanting a reduction in gross floor area. In addition to the food retail store the revised scheme now includes a possible combination of stores. Thomas Lister have made several observations on the revised offer and responded to Terrace Hill that the offer is not accepted. Due to holidays etc no further negotiations have taken place but it is hoped that these will recommence week of 11th August.</p> <p>Following the revised offer, officers are modelling options involving a reduced capital receipt from Heathpark and its impact on overall receipt and project impact. The value of ESBC compared to a reduced receipt for the site sale should also be considered.. At Members' request revised figures will be produced showing discounted cash flow/20 yr figures and a like-like science of various options (1 side of A4 as the template).</p> <p>There was also discussion reflecting the need to keep options open and objectively address potentially significant change such as this, including the need to review the depot space aspect and look again at the business centre site for a new office headquarters. It was agreed to first analyse the reduced Heathpark offer, consider options , pick up negotiations for Heathpark and meet with Chris Thomas on his return from leave. It remains important to identify the land value of the Knowle and Manstone Depot sites is following the marketing exercise.</p>	<p>SP/SD</p>

	<p>NH has previously stated at an earlier meeting that after the August meeting of the Office Accommodation Group he would like to give notice to the tenants of the Business Centre. This will now need to be held over until there is a clearer resolution going forward. A meeting will be held with the Centre's users but as an update only.</p>	
<p>8.</p>	<p>Knowle and Manstone: Following Savills formal appointment, the Consultant has been preparing marketing information, including collating the various technical, planning and legal information. Separate but matching brochures for Knowle and Manstone/ATC site are being prepared identifying issues and constraints. Liaison with PR department in respect of draft press release and both Aerial and ground photos have been taken. Savills report on bids and recommendation is anticipated to be issued on 21 November 2014.</p> <p>Ed Heynes, Planning Consultant, held a pre-app meeting with Ed Freeman, Development Manager. Discussion was around the affordable housing element and loss of employment land on the Knowle site.</p> <p>SP to speak to Donna Best about the issue of extra employment units on the Manstone site. There is potential for impact on the boundary of housing development on the depot site and this needs to be explored in terms of effect on Knowle/Manstone values and market interest. Comparison of value of any land parcel would need to be understood especially in terms of one off capital receipt compared to revenue from business units (net of construction and other cost). A comparison exercise should be reported back to this group.</p> <p>Addressing the issue of the loss of employment land, the marketing exercise will be open to a range of development proposals including continued employment use on the Knowle site. The viability of any development proposals will need to be fully tested before going forward.</p> <p>One further issue is the selling of public space. HGL recommends that once a Developer has brought the site then there is a set procedure to be gone through which must be followed.</p> <p>DB is about to sent out email shot to all Agents re land availability in East Devon with a view to identifying possible new depot sites.</p> <p>RoW – still waiting for DCC to confirm whether they will be going to Inquiry. We have sent in our objection along with one public objection which could lead to going through the appeal process.</p>	<p>SP/DB</p>
<p>9</p>	<p>Other Matters:</p> <ul style="list-style-type: none"> • KJ has produced a document on Work smart and Open for Business which is about to be put on the Intranet. It will give staff the option to ask questions about the projects etc. • Comms: all awaiting outcomes from TVG/RoW and EU 	

	<p>Procurement before any further staff meetings etc are held.</p> <ul style="list-style-type: none"> • A hearing date has now been set for 28 Aug at Exeter Magistrates court to discuss Mr Woodward's access to various documents. Mr Woodward has emailed regarding further information he would like – SD to reply following advice from legal. 	
10.	AOB: None.	
	Next meeting to be held on: 27 August 2014 at 2.00pm in Richard's office	