

11 November 2015

Report of	Head of Commercial Services	Author	Fiona Duhamel ☎ 282976
Title	Sheepen Place Office Development Proposal - Update Report		
Wards affected	All		

**This report seeks to provide a progress update to RIF (Revolving Investment Fund) committee on the development of a new income producing office building at the Sheepen Road car park site**

## 1. Decisions Required

- To note progress against key milestones in the development programme
- To note progress against programmed capital budget spend

## 2. Reasons for Decisions

- 2.1 To ensure the development programme progresses on time and on budget and meets the Council's overall objectives of delivering a high quality scheme with a revenue income to support service delivery.

## 3. Alternative Options

- 3.1 This is an information report only.

## 4. Supporting information

- 4.1 In November 2014 the RIF Committee approved the proposal for the Council to develop a new 17,000sq ft. office building at the current Sheepen Road car park on the basis that a pre let tenant had been identified.
- 4.2 The scheme would be the first office development in Colchester for a number of years, would provide a new prestigious new home for Birkett Long solicitors retaining and creating jobs, and would provide a valuable revenue stream for the Council.
- 4.3 Following a period of feasibility, which included site surveys, early negotiations with the tenant and scheme concept design and costings, a business case was presented to RIF.

## **5. Current programme update**

5.1 A number of key milestones have already been met in the development programme which are reported below:

- (a) Agreement for lease signed with tenant Birkett Long
- (b) Design progressed sufficiently to ensure a planning application was submitted in August 2015
- (c) A Planning Performance Agreement (PPA) has been signed by the local planning authority and the applicant to ensure a collaborative process through planning. The design team have met regularly to discuss the details of the design and planning matters as they have arisen. The application is now listed for planning committee on November 5<sup>th</sup>
- (d) The design team are currently working up the detailed design of the building including the internal specifications and have been working closely with the tenants' interior designers. The building is being designed to reach the BREEAM standard of Very Good; there are a number of features of the building that will contribute to achieving this standard including PV panels.
- (e) The procurement process has started with the notice and PQQ's being issued, this is with a view to the tenders being sent out in early December.
- (f) Budget spend on the project is on target with professional team fees now agreed and all survey work completed.

5.2 The current timeline is set out below:

- Tenders to be sent out at the beginning of December 2015
- Tenders returned late January 16 to be evaluated
- Appointment of the contactor in February 16
- Start on site March 16
- Completion March 17

## **6. Strategic Plan References**

- 6.1 The scheme will support the strategic aim of "Thriving" - attracting business and selling Colchester as a destination
- 6.2 The scheme will "Create the right environment for people to develop and flourish in all aspects of life both business and pleasure".
- 6.3 It will also promote Colchester to attract further inward investment and additional businesses, providing greater and more diverse employment and tourism opportunities

## **7. Consultation**

7.1 The project has been subject to public consultation as part of the planning application.

## **8. Publicity Considerations**

- 8.1 Colchester Gazette reported a positive story in September when the scheme was submitted for planning. The development was also reported more widely in the area through the “Business in East Anglia” magazine in October.

## **9. Equality, Diversity and Human Rights, Community Safety and Health and Safety implications**

- 9.1.1 None identified at this stage.

## **10. Risk Management Implications**

- 10.1 A risk register has been prepared for the scheme and is monitored monthly.