



## North Devon Council

### Title of Decision Requested: 47 High Street, Barnstaple

Decision requested by decision maker: (\*Please insert decision requested here)

To set aside the Contract Procedure Rules to enable the existing contract with Qube Construct Ltd dated the 3<sup>rd</sup> October 2022 to be amended to carry out additional works to enable unit 47 to be delivered as a “white box”.

#### 1. BACKGROUND / REASONS FOR THE DECISION REQUEST

- 1.1. Qube Construct Ltd were contracted on the 3<sup>rd</sup> October 2022 to carry out works to 47 High Street, Barnstaple to strip out the unit and carry out modifications to the unit and façade in order to enable the unit to be let to a national retailer. At that point the retailer indicated that it would accept a shell unit and that was the intention of the contracted works.
- 1.2. Since then, the retailer has indicated that it would only proceed with the tenancy if the unit is delivered as a “white box”, ready for fit out.
- 1.3. Qube Construct Ltd have provided a quote for the additional works in the sum of £163,000.
- 1.4. Advice has been sought from independent surveyors who have indicated that a competitive tendering process might produce a slight reduction on this figure but the length of time that would be taken by undertaking this process and standing up a contractor would very likely result in the loss of the retailer.
- 1.5. The retailer has indicated that the works must be complete to allow them to enter the premises in May and so an urgent decision is needed to allow the works to commence.
- 1.6. Qube Construct Ltd are already on site and so will proceed with the works without any further delay.

#### 2. FINANCIAL IMPLICATIONS: (NOTE: Please state if there are any financial implications. If so, state whether there are sufficient funds within the agreed budget. If there are insufficient funds please state how the decision will be financed).

- 2.1. The additional works to deliver a “white box” will cost £163,000. Those costs will be covered by a capital budget that is already set up for Green Lanes enhancements and so there is no additional budget to be found.
- 2.2. The works will enable a unit to be let which is currently empty and is costing the council around £61,000 per year in business rates and service charge.



3. ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED?

3.1. The other option is to not do the works and to try to let the unit to another retailer as a shell unit. Advice received from the council's agents is that in the current market, attracting a useful retailer to a unit that is not set up for fit out will be difficult. In the meantime, the council would still be liable for business rates and service charges on an empty unit

4. ANY CONFLICT OF INTEREST DECLARED?

4.1. None

5. DISPENSATION IF GRANTED

5.1. None

6. BACKGROUND PAPERS

The following background papers were used in the preparation of this request (The background papers are available for inspection and kept by the author):

6.1. None

7. CONSULTATION UNDERTAKEN (Please note all who have been consulted on this decision):

7.1 Leader, Deputy Leader, Monitoring Officer, Director of Resources

8. OFFICER REQUESTING DECISION TO BE TAKEN: (please insert name and job title): Helen Bond, Ken Miles, Property Manager, Chief Executive

9. NAME OF DECISION TAKER: (please insert name and job title): Chief Executive

10. DATE DECISION TAKEN: 16/2/23

11. APPROVED BY DECISION TAKER: Yes

12. DECISION TAKER'S COMMENTS: Whilst accepting that we may secure a better price through a tendering process, overall the costs will be higher as we will lose the prospective tenant and continue being financially liable for the empty unit. Whilst SR Committee is on the 6<sup>th</sup> March, I accept that approval for the works needs to be given in advance of that in order to allow the works to complete in time to secure the tenant.

