

# FAREHAM

## BOROUGH COUNCIL

2021/22  
Decision No.  
2289

### Record of Decision by Executive

Monday, 5 July 2021

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Variation to Construction of new units at Faraday Business Park, Daedalus</b>
<b>Report of:</b>	Director of Planning and Regeneration
<b>Corporate Priority:</b>	Dynamic, prudent and progressive Council

#### **Purpose:**

To update the Executive on progress with the development of speculative industrial units at Faraday Business Park at Daedalus and to present options with regard to the provision of office accommodation in Units 15 and 16.

At the 7 January 2019 Executive it was agreed to fund the construction of new industrial / business units at Faraday Business Park. The development consists of three buildings, with one of these divided into two to provide four units in total.

On 7 September 2020 the Executive considered a further report which assessed the impact of the Covid-19 pandemic on the prospects for the scheme, and it was agreed that the scheme should proceed.

Following the award of the construction contract, the build out is well underway with completion scheduled for Autumn 2021. Since that time updated marketing advice has been received and the construction sector has been impacted by the delay in steel production.

The above changes have triggered a review of the specification for the scheme and a recommendation that it be revised with all four units being provided with office accommodation to maximise the letting potential/income receipts from the development.

This report recommends a two-stage approach to the provision of office accommodation in Units 15 and 16 to mitigate the risk from potentially having void units.

#### **Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive:

- (a) agrees to the two-stage process for providing office accommodation in Units 15 and 16 (set out in paragraphs 17 - 23 of the Executive Briefing Paper) and the required increase in the capital budget of up to £550,000;
- (b) approves a variation to the current construction contract, at an estimated cost of £165,000, to allow for the stage one office works to be undertaken;
- (c) grants delegated authority to the Director of Planning and Regeneration following consultation with the Deputy Chief Executive Officer and the Executive Member for Policy & Resources to award a contract(s) for the stage two office works, at an estimated cost of up to £385,000; and
- (d) additionally, note that an additional capital budget of £50,000 is required to cover minor variations to the scheme following the award of the construction contract.

**Reason:**

To maximise the letting and income potential from the speculative development at the Faraday Business Park at Daedalus and to minimise risk.

**Confirmed as a true record:**

Councillor SDT Woodward (Executive Leader)

Monday, 5 July 2021