Memo
Estate Services
To Faculty Deans
From Peter Preston, Head of Projects
Date 11 July 2008
Cc Faculty Finance Managers
Departmental Estates Contacts

Estate Services traditionally provided its multi-disciplinary service through the Design Office at a flat rate fee of 10% of the value of any project (except for QS and CDM services which were additionally charged at cost). This was a fully inclusive package for all projects, irrespective of type, size or complexity.

Inevitably since the 10% fee was introduced things have moved on. The service has evolved and broadened, client requirements have become more demanding and legislation, health and safety standards and contractor management has become more onerous on the service. As a consequence it has become necessary to review our fees in the light of the above and the need to deliver a value-for-money service to the University.

Attached is our new variable fee structure in response to the challenges we now face. We have benchmarked these fees against frameworks we already have with the commercial sector and have also introduced a time charge. The time charge will be £50/h for qualified technical officers, for situations such as: pre-PIF costs, feasibilities, option appraisals, interior design, extensive consultations L1 e.g. planning, conservation, listed buildings, specialist advice, client equipment, partial service, one-off commissions, etc.

The new arrangements will apply for all new commissions following the summer 2008 programme, irrespective of whether a commission is handled by the Design Office or M&O teams. All PIFs will attract fees in accordance with the matrix. Unlike fees paid to external consultants however, VAT will not be applicable, saving 17.5%.

Should a project not progress or be delayed (by, for example, lack of affordability, client decision or change, technical issues, lack of consent, revised brief, etc.) then Estate Services may (at its discretion) charge fees and/or recover costs for all or part of the work. This would apply for all work reasonably undertaken in good faith up to the point of cessation or instruction. We will however always try to minimise any abortive fees and keep you informed. For this reason, an account code must be supplied at the time of the initial request.

Estates will monitor the implementation of the new scales, along with costs, income, service quality and satisfaction levels and if you have any constructive feedback, especially during the initial roll-out period, we should be pleased to hear from you.

We hope to provide all our campus partners and stakeholders with a sustainable and value-for-money service to enhance the student experience, provide first-class facilities and help the University achieve its world-class vision. We would like to thank all clients past and present and trust that the new arrangements will help fulfill our joint aims.

* Please note that VAT is now 20%