



Assumption	Detail
<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
<p><b>The EBA remains liable for the costs of the London offices until the end of the break clause</b></p>	<p>Activating the break clause will bring the lease on the One Canada Square (1CS) offices to an end on 07 December 2020. Until that date, the EBA will remain liable for rent, building and estate charges and local taxes. Activating the break clause also triggers the obligation to repay half of the rent-free period received as part of the London lease, which equates to 16 months of rent (on the basis of the 12-year lease). At the termination of the lease the EBA will become liable for dilapidation costs, for which the EBA has received two estimates by professional surveying companies and which have been included in the EBA 2017 annual accounts as the average of the two amounts.</p> <p>The EBA will endeavour to reduce these costs; however, we have not included any such reduction in our relocation budget model, as we have no certainty that this will be possible. We consider that the options for cost reduction include subletting or assigning the lease.</p>
<p><b>Only incremental costs are included</b></p>	<p>This is a key point. Taking 2019 as the example, the <b>rent</b> on the Paris building will probably be fully covered by [REDACTED] the landlord’s rent-free period [REDACTED]</p> <p>[REDACTED] The rent on the London building will then be considered as a regular, on-going cost as in a normal year. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] We</p>

Assumption	Detail
	<p>are treating the London charges (after March 2019) as incremental relocation costs.</p> <p>Staff relocating from London to Paris will be entitled to <b>installation and daily subsistence allowances</b>, and to have their household removal paid by the EBA. All EBA staff will relocate: 145 TA &amp; 42 CA but only 75% will remove their households. These are incremental costs.</p> <p><b>Interim staff</b> are being hired to fill gaps in competency and workload and costs for these are included where they are driven by the relocation.</p> <p>Costs of <b>data centre relocation</b> to the CANCOM cloud contract are included as incremental relocation costs. These include interim staff (as referred to above), consultancy and legal costs. We have assumed three months of overlapping running costs in 2019 where we have both the existing Serco and the new CANCOM services running in parallel.</p> <p>The EBA is in the process of determining what <b>furniture and equipment</b> (in particular IT and audio-visual equipment) will be removed to Paris, on the basis of a cost-benefit analysis taking into account remaining life, cost of purchase vs. cost of shipping and practicality of removing.</p> <p>Annex 2 contains the detailed list of assumptions driving the costs in the budget model.</p>
<p><b>GBP costs are converted to EUR at set rates per period</b></p>	<p>We have use 0.87 for 2018 and 0.88 for 2019 and 2020.</p>

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]





## Relocation budget

	<i>Total</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
<b>Incremental staff costs</b>				
[Installation allowance (TA)]	1,955,470	-	1,955,470	-
[Daily subsistence allowance (TA)]	830,702	-	830,702	-
[Taking up duty (TA)]	10,105	-	10,105	-
[Removal costs - TA]	615,475	-	615,475	-
[Installation allowance (CA)]	253,344	-	253,344	-
[Daily subsistence allowance (CA)]	240,617	-	240,617	-
[Taking up duty (CA)]	2,927	-	2,927	-
[Removal costs - CA]	178,275	-	178,275	-
[Legal: staff regs advice]	90,000	30,000	30,000	30,000
[Orientation missions]	79,650	79,650	-	-
[Operational missions]	43,200	34,200	9,000	-
Interim programme manager	362,202	213,293	148,909	-
Interim facilities coordinator	103,159	60,748	42,411	-
Interim procurement assistant	45,167	31,725	13,442	-
[Interim IT project manager]	158,767	111,517	47,250	-
[Interim IT cloud specialist]	190,521	133,821	56,700	-
<b>Total incremental staff costs</b>	<b>5,159,581</b>	<b>694,954</b>	<b>4,434,627</b>	<b>30,000</b>
<b>Building costs</b>				
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
<b>Rent</b>				
<b>Building charges</b>				
Estate charges - London	295,216	-	132,847	162,369
Taxes - London	106,136	-	53,068	53,068
<b>Fit out cost</b>				
[Fit-out cost]	4,002,000	4,002,000	-	-
			-	-
Capitalisation of rent-free period (fit out)	(2,502,000)	(2,502,000)	-	-
[Furniture]	383,931	383,931	-	-
[IT equipment]	600,000	600,000	-	-
[Office set-up services]	40,000	-	40,000	-

	<i>Total</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Dilapidation - London	2,685,392	-	-	2,685,392
Rent-free period repayment - London	2,707,455	-	-	2,707,455
██████████	██████████	██████████	██████████	██████████
Other relocation costs				
Data centre relocation	377,640	377,640	-	-
Serco study on data centre relocation	10,926	10,926	-	-
ISDN relocation to CW	55,448	55,448	-	-
██████████	██████████	██████████	-	-
██████████	██████████	██████████	-	-
[Legal advice on Data Centre contract]	30,000	30,000	-	-
[Data centre running costs]	298,079	-	298,079	-
[Office relocation costs]	102,273	-	102,273	-
Total other relocation costs	943,366	543,014	400,352	-
Incremental staff costs	5,159,581	694,954	4,434,627	30,000
██████████	██████████	██████████	██████████	██████████
Other relocation costs	943,366	543,014	400,352	-
██████████	██████████	██████████	██████████	██████████



## Annex 2 – Detailed assumptions

	Constant	Unit	Source
<b>FORECAST INPUTS</b>			
<b>TIMING ASSUMPTIONS</b>			
1st model column start date	01 Jan 2018	date	
Relocation date	31 Mar 2019	date	
Length of forecast period	4	years	
Months per model period	1	months	
Financial year end month number	12	month #	
London lease end date	07 Dec 2020	date	1CS lease
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>LEASE CONDITIONS - CANARY WHARF</b>			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>FINANCIAL CONDITIONS - LONDON</b>			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



	Constant	Unit	Source
- [Office removal]	90,000.00	£	Estimation based on market analysis
- [Legal: staff regs advice]	30,000.00	€ / year	Internal estimation
- [Office set up services]	10,000.00	€ / month	Internal estimation
Interim programme manager	21,840.00	£ / month	Committed
Interim facilities coordinator	6,220.30	£ / month	Committed
Interim procurement assistant	3,942.96	£ / month	Committed
- [Interim IT project manager]	13,860.00	£ / month	Internal estimation based on FWC prices
- [Interim cloud specialist]	16,632.00	£ / month	Internal estimation based on FWC prices

**DILAPIDATION COSTS**

-			
---	--	--	--

**STAFF INPUTS**

Average household size	3.20	persons	Calculation based on existing staff
Installation allowance average (TA)	13,486.00	€ / person	Calculation based on existing staff
Installation allowance average (CA)	6,032.00	€ / person	Calculation based on existing staff
Daily subsistence allowance average	1,145.80	€ / month / person	Calculation based on existing staff
- [Mobility]	69.69	€ / person	Calculation based on existing staff
- [FR language courses]			
- [Percentage of staff removing]	0.75	%	Based on internal survey
- [Household removal cost]	5,000.00	£ / household	Internal estimation
- [Staff relocation cost]	-	€ / staff member	