



Ceme Campus
Marsh Way
Rainham
Essex RM13 8EU
Tel: +44 (0) 208 596 5400
Fax: +44 (0) 208 596 5401
Email: info@ceme.co.uk
Web: www.ceme.co.uk

8 February 2010

CEME and Thames Gateway College

I am writing to you with important news regarding the tenancy of Thames Gateway College (TGC) at the Centre for Engineering and Manufacturing Excellence (CEME) in Rainham.

Over recent years CEME has been charging TGC a rent that has been below what we believe covers the reasonable costs for providing the services enjoyed by the college. Since opening TGC has seen student numbers increase at CEME from approximately 300 in 2003 to around 1,000. CEME has provided the buildings, equipment and services at prices agreed in 2003 throughout this time.

CEME has been in negotiations with TGC for the past three years in an effort to agree a new service level agreement (SLA) incorporating a fair rent for the space and services provided. These discussions reached an impasse last summer and we were left with no option but to issue 12 months notice (from June 2009 to July 2010) as the college would not agree a new SLA.

Negotiations then continued through late 2009. A third party was contracted to conduct an independent review of a fair market rent for the property and services provided by CEME to TGC. CEME rejected the draft report on the basis that there was lack of clarity on the methodology used to arrive at a valuation placed on the space and services provided at what is a world class campus. As I write an updated report has not been forthcoming.

Then last week TGC decided to accept the notice issued in June 2009. CEME immediately offered TGC an additional year from 2010-2011 at the same price that TGC had stated it would be willing to pay in a communication to CEME in December 2009. CEME did this to ensure as smooth a transition as possible for TGC students and staff.

This offer has now been rejected by TGC and we understand that the college definitely intends to leave in July this year. We also understand that a briefing of staff and students is happening today – hence writing to you now.

Whilst our preference has always been for TGC to remain at the CEME Campus and for us to support the college to grow here still further, we must now reluctantly accept that they will be vacating the space.

CEME remains a viable organisation and is much more than a building for Further Education customers. We are a charity and the custodian of a renowned centre of excellence – working with a wide range of employers and agencies on the skills and training agenda and economic growth in London Thames Gateway.

I can advise you that we are now actively seeking new tenants to come and be part of the CEME campus. In the first instance, we would want to attract other leading UK Further Education providers to make use of the world class infrastructure here and support our goal of attracting best in class providers into London Thames Gateway.



Registered address:
Ceme Campus
Marsh Way
Rainham
Essex RM13 8EU
Registered No: 4238862
Vat No: 778742277

CEME's other activities, that support its strategy in playing a key role in the ongoing regeneration and development of the Thames Gateway region, are unaffected by the departure of TGC.

We are clearly disappointed that the situation has come to this conclusion but considered it important to inform you directly. I want to assure you that CEME has sought to act responsibly, fairly and transparently throughout this process. If you have any questions relating to the departure of TGC or about the future of CEME please do not hesitate to contact me personally.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bill Williams', with a large circular flourish at the end.

Bill Williams
Chief Executive