



Closure Management

The Issue

Most companies during their lifetime are faced with the difficult task of closing a manufacturing site. This can be due to a large number of factors; business change, merger or acquisition, market optimisation or the plain fact that a site has aged and become overly capital intensive.

The decision to close a site can be very complex particularly, where rationalisation of a large asset base is required. Once a site has been selected, what needs to be done to close it and dispose of it?

The Objective

Ensure that the correct strategic decisions are made regarding site closures, managing the entire process from site selection to final site disposal.

Early involvement is essential either by secondment to client's in-house team or as advisors in order that the key objectives of maximising value and transferring any residual liabilities are met. This has to be achieved within a realistic but often restricted period of time, while ensuring environmental and stakeholder concerns are handled both professionally and sympathetically.

The EDSR Solution

EDSR have a team with direct closure management experience involving both large and small companies; managing the closure process from initial site rationalisation through to the environmental sign-off and legal land transfer to the end user. We ensure that the client fully understands the liability versus asset balance for their site(s) to support their closure decisions. Once selected, we will clearly set out the procedure to manage the site's closure and disposal or regeneration options to extract the full asset value.

We ensure that accurate resource estimates and budgets can be set for the life of the project and can offer experienced advice on site rundown and closure programmes. EDSR can fully manage the subsequent site disposal or regeneration options and the full programme of activities and consents that follow. Through close liaison and a thorough understanding of the drivers we ensure the client's aspirations and objectives are met. EDSR offer a bespoke service which is sensitive to the clients needs and which is absolutely confidential.

Closure Aspects

- Achievable programming
- Realistic budget
- Define product relocations and their effect on site closure timing
- Personnel management-redundancies, unions, retention of key staff for closure
- Supply chain cessation or relocation
- Key asset re-utilisation
- Removal of raw materials, products, waste
- Local authorities and community management
- Documentation management
- Communications strategy, from announcement to sale

Disposal Aspects

- Real estate management – what end-use?
- Budget
- Asset decommissioning
- Asset removal
- Continued site documentation
- Demolition
- Environmental management
- EA and other stakeholder engagement and consultation

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