
Alexandra Palace and Park Panel

THURSDAY, 16TH JANUARY, 2014 at 18:30 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Councillors Cooke (Chair), Scott, Stewart (Vice-Chair), Williams and Egan

AGENDA

1. APOLOGIES FOR ABSENCE

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. (Late items will be considered under the agenda item where they appear). It being a special meeting, under the Council's Constitution, Part 4, Section B, Paragraph 17, no new items of urgent business will be admitted.

3. DECLARATIONS OF INTEREST

A Member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- a) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- b) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending disclosure must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

4. PROCUREMENT OF REAL ESTATE LEGAL ADVISORS FOR COMMERCIAL DEVELOPMENT AT ALEXANDRA PALACE (PAGES 1 - 4)

Report of the Chief Executive, Alexandra Palace Charitable Trust, to seek Board approval to waive Contract Standing Order 9.01 (requirement to tender) and to award the contract to Pinsent Masons LLP.

5. EXCLUSION OF PRESS AND PUBLIC

Item 6 is likely to be subject of a motion to exclude the press and public from the meeting as it contains exempt information as defined in Section 100a of the Local Government Act 1972; Paragraph 3, information relating to the business or financial affairs of any particular person (including the Authority holding that information).

6. PROCUREMENT OF REAL ESTATE LEGAL ADVISORS FOR COMMERCIAL DEVELOPMENT AT ALEXANDRA PALACE (PAGES 5 - 6)

To consider exempt information pertaining to agenda item 4 above.

Please note that, it being a special meeting, under the Council's Constitution, Part 4, Section B, Paragraph 17, no new items of urgent business will be admitted.

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Thursday 9 January 2014

Alexandra Palace and Park Panel

16 January 2014

Report Title: **Procurement of Real Estate Legal Advisors for Commercial Development at Alexandra Palace**

Report of: **Duncan Wilson, CE Alexandra Palace Charitable Trust**

1. Purpose

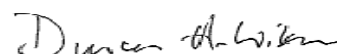
1.1 To seek Board approval to waive Contract Standing Order 9.01 (requirement to tender) and to award the contract to Pinsent Masons LLP.

2. Recommendations

2.1 That the Board approves the waiver of Contract Standing Order 9.01 as allowed under CSO 10.01.1(a) on the basis that the specialist services required for this commission can only be provided by a limited number of providers.

2.2 That the Board approves the intent to award the contract to Pinsent Masons LLP.

Report Authorised by: **Duncan Wilson, Chief Executive**



Contact Officer: **Louise Johnson, Regeneration and Property Coordinator, Tel No. 020 8365 4198**

3. Executive Summary

3.1 In summer 2013 the Trust's property advisers, Knight Frank undertook a 'soft market testing' exercise to establish the level and nature of interest in specific commercial development opportunities at the western end of the Palace, namely the potential for a 150-200 bed high quality hotel and possible associated investment in the events business at AP.

3.2 As a result of encouraging feedback from this soft market testing, the Trust has resolved to proceed with a formal approach to the market to appoint a developer-partner (which would be open to both individual and consortium bidders) in early summer 2014.

3.3 The Trust is therefore seeking to appoint specialist corporate real estate legal advisers to assist with this process, namely the procurement and contractual engagement of a development partner.

3.4 Following a review of the GPS Legal Framework (Lots 6 and 8), it was concluded that several key legal firms with the type of experience and specialist skillsets required for this tender were not on the GPS Legal Framework. Detailed desktop research including Chambers Guide was undertaken and advice from officers and our independent board member with legal experience, Bob Kidby, was sought, and a list of nine firms were identified as having the level of expertise and experience required for this tender.

4. Reasons for any change in policy or for new policy development (if applicable)

N/A

5. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. Exempt information is under the following category (identified in amended Schedule 12A of the Local Government Act 1972). S (3) Information relating to financial or business affairs of any particular person (including the authority holding that information).

6. Background

6.1. The Board is referred to paragraph 3 above. By way of additional information, please note the following.

6.2. Broadly, the tasks include advising on:

- appropriate options for a developer-partner vehicle including its scope and structure;
- options for procurement route;
- advice on selection of final preferred procurement route and on the preparation of tender documentation and tender evaluations;
- potential implications around tax and regulatory issues;
- post-tender contract documentation with the successful tenderer;
- implications on any of the above on the Trust's current taxation status, current rateable values, the role of Trustees as part of the future operations of the Palace

6.4. The specialist services include:

- Real Estate Development;
- Hotel and Leisure;
- Investment and Procurement;
- Tax;
- Finance and Financial Regulation;
- Public Sector/ 3rd/ Charity Sector;
- General Legal Services;
- Planning/ Heritage;
- Licencing and Regulatory

6.6. Expressions of interest were requested of nine firms. Six responded to this request, and were then formally invited to tender. Tender submissions were received from four firms including the preferred bidder Pinsent Masons, of these, one firm withdrew from the process before interview.

6.7. The tender was evaluated on the basis of the most economically advantageous tender ("MEAT") based on a quality price threshold of Quality 80% and Price 20%. The table below summarises the overall scoring.

No.	Consultant	QDP (80) %	SOF (20) %	Total
1	Pinsent Masons	79.68%	20.00%	99.68%
2	Firm B	76.00%	15.02%	91.02%
3	Firm C	70.40%	8.27%	78.67%

- 6.8. In view of the above evaluation results, it is proposed that **Pinsent Masons LLP** are awarded the Real Estate Legal Advisors contract.

7 Legal Implications

- 7.1. The Head of Legal Services has been consulted with the preparation of this report, and makes the following comments.
- 7.2. The London Borough of Haringey Contract Standing Orders (CSO's) apply to Alexandra Palace and Park Charitable Trust (APPCT) and for the purposes of the CSO' Under COS 14 (a) The Chief Executive of APPCT shall have the powers and duties of a Director specified in Contract Standing Orders; and under CSO 14(b) The Alexandra Palace and Park Board and Panel shall have the powers and duties of the Cabinet and a Cabinet Member specified in these Contract Standing Orders;
- 7.3. The contract is not classified as priority services under the Public Contracts Regulations 2006 so there is no requirement to tender in Europe.
- 7.4. A waiver of the CSO 9.01 requirement to tender is now being sought to facilitate the award of the contract with the contractor named in paragraph 6.8 in this report.
- 7.5. CSO 10.01.1 (a) empowers the Alexandra Palace and Park Board to grant a waiver of CSOs in respect of tendering.
- 7.6. The waiver is sought on the grounds set out in CSO 10.01.2 (a) a) the nature of the market for the works to be carried out or the goods or services to be provided has been investigated and is such that a departure from the requirements of Contract Standing Orders is justifiable as highlighted in paragraph 3.4 above.
- 7.8. If the Alexandra Palace and Park Board is minded to approve a waiver the Alexandra Palace and Park Board may also award the contract under CSO 9.07.1.
- 7.9. The Head of Legal Services confirms that there are no legal reasons preventing the Alexandra Palace and Park Board from approving the recommendations in this report.

8 Financial Implications

- 8.1. The total budget available for this work is **£150,000** and has been budgeted for and will be met from the Trust's existing regeneration budget. The winning bidders quote of delivering the project is **£112,500.00** and falls within the available budget.
- 8.2. The Council's Chief Financial Officer has been consulted in the preparation of this report, and has no comments to make.

9 Use of Appendices

- 9.1 N/A

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