



Agenda item:
[No.]

[Name of Meeting] On [Date]

Report Title. **Proposal for the appointment of NPS Property Consultants Limited to project manage the detailed design, planning and delivery of the depot development project at 85 Marsh Lane, Tottenham.**

Report of Niall Bolger, Director of Urban Environment.

Signed: *N Bolger* 3rd September 2009

Contact Officer : Steve Carter, Senior Project Officer, telephone 020 8489 2645

<p>Wards(s) affected: Tottenham Hale and Northumberland Park</p>	<p>Report for: Key Decision</p>
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1. Purpose of the report (That is, the decision required)
 1.1. To seek committee approval to appoint NPS Property Consultants Limited (NPS) beyond their existing contract on the Marsh Lane project, (RIBA, stages A to C) to provide a full project management and design service (RIBA stages D to L) in order to facilitate the relocation of the Ashley Road depot and development of a new strategic depot for Frontline Services at 85 Marsh Lane.

2. Introduction by Cabinet Member (if necessary)
 2.1 This project enables the delivery of the Council's Regeneration Strategy for the two key growth areas within the Borough and is supported by overarching policies in the adopted UDP (2006), and supplementary planning documents in the form of the Haringey Heartlands Framework (2005) and Tottenham Hale Urban Centre Masterplan SPD (2006).

2.2 The proposal enables the release and disposal of the Ashley Road site for residential development in line with the Tottenham Hale Master Plan and the proposals emerging from the Greater Ashley Road and Station Interchange Master Plan and Government policy within the London-Stansted-Cambridge-Peterborough Growth Corridor and the Mayor's London Plan.

2.3 It will improve the borough's performance in waste management and recycling. Making Haringey one of the Greenest Boroughs as specified in the Haringey Plan for 2007 – 2010.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1. **Make Haringey Green** – To make Haringey one of London's greenest boroughs.
3.2. **Create safer, cleaner streets** –To create a Better Haringey: cleaner, greener, safer.
3.3. **Deliver excellent services** – To deliver excellent, customer focused, cost effective services.

4. Recommendations

- 4.1. To approve the appointment of NPS beyond their existing contract on the Marsh Lane project, (RIBA, stages A to C) to provide a full project management and design service (RIBA stages D to L) in order to facilitate the relocation and development of a new strategic depot for Frontline Services. The contract will include an option to break at the end of each stage dependent upon funding, planning consent and further Committee approvals.

5. Reason for recommendation(s)

- 5.1. To provide project management continuity during the detailed design phase and to build on the work carried out to deliver the feasibility study.
5.2. To progress delivery of a new strategic depot for Frontline Services.

6. Other options considered

- 6.1. Continue to operate from the existing Ashley Road Depot – previously considered in the April 2008 Cabinet Report, seeking authority to purchase the site

7. Summary

7.1. On 22 April 2008, Cabinet gave approval to the acquisition of 85 Marsh Lane, N17 at a price of £5,300,000. Purchase was funded primarily from GAF 3 (£3,983,000) and the remainder from S.106 and LABGI monies. The transaction was completed in July 2008. This purchase was in order to facilitate the development of a strategic depot facility for frontline services and promote the development of Green Industries. The successful completion of the new depot will release existing depot sites at Ashley Road and Western Road for redevelopment in line with master plans for the Tottenham Hale and Haringey Heartlands respectively.

7.2. The Council appointed NPS to undertake design development to Royal Institute of British Architects Stage C for the new depot, which was completed in April 2009. Authority to award an extended contract to NPS Property Consultants Limited will enable the project management and design team to build on work to date and provide continuity in taking the project forward.

7.3. Key objectives of the proposed new depot project are:

- Provide a new strategic depot at Marsh Lane to assist in meeting Haringey's ambitious targets set for recycling, the reduction of CO2 emissions and to assist with coping with the impact of increased households within the borough.
- Promote growth and start up of businesses that will contribute to the development of 'Green industries' in the Upper Lee Valley.
- Enable the release and disposal of the Ashley Road site for residential development in line with the Tottenham Hale Master Plan and the proposals emerging from the Greater Ashley Road and Station Interchange Master Plan.
- Release the Western Road site in Haringey Heartlands to contribute to delivery of the Heartlands Master Plan objectives.

In addition the project will contribute to:

- Promoting the regeneration objectives included within the emerging Central Leaside Area Action Plan
- Supporting the objectives of the North London Waste Authority business plan
- Improving the borough's performance in waste management and recycling. Making Haringey one of the Greenest Boroughs is a priority in the Haringey Plan for 2007 – 2010. A key action in the next three years is to improve recycling sites.

7.1 Background

- 7.1.1. The Construction Related Consultancy Services framework agreement (CRCS) was set up by the Construction Procurement Group in April 2004. The framework agreement was set up to provide consultancy for the Council's construction projects.
- 7.1.2. In March 2008, A Procurement Report was made to Cabinet Procurement Committee seeking Member agreement to enter into a Framework Agreement for the provision of construction related consultancy services with a single lead supplier for a period of two years with the option to extend for a period of two years on an annual basis subject to satisfactory performance of the company.
- 7.1.3. At this meeting Members approved the proposal to enter into a Framework Agreement with NPS Property Consultants Limited as the single lead supplier to provide all construction consultancy services relating to construction work; these being in the main (but not limited to) building surveying, general architecture, landscape architecture, mechanical and electrical engineering, structural engineering, civil engineering and project management.
- 7.1.4. It was agreed at the Procurement Committee meeting in March 2008, that any contract valued over £250,000 brought forward under this framework agreement must be approved by the Cabinet Procurement Committee
- 7.1.5. Tottenham and Haringey Heartlands are key development areas in the London segment of the Government's London-Stansted-Cambridge-Peterborough Growth Corridor and the Mayor's London Plan. Haringey Council submitted a bid for CLG funding through Growth Area Fund Round 3 (GAF3) and the Community Infrastructure Fund (CIF) to facilitate the development of a significant number of new homes and jobs in these areas, which will assist Haringey in meeting its housing targets.
- 7.1.6. The Tottenham Hale Masterplan includes the redevelopment of the industrial area around Ashley Road for residential-led, mixed-use. The Ashley Road recycling depot is part of this area.
- 7.1.7. The Marsh Lane site is located in the Central Leaside Area Action Plan (CLAAP) boundary. The Council has been working with the London Borough of Enfield to bring forward a significant change in the policy framework for this part of North London to facilitate the regeneration and renewal of the this part of the Lee Valley. The draft Area Action Plan envisages the development of Green Industries as a key part of the economic development of the area, along with residential development.
- 7.1.8. Regeneration of the borough's two key growth areas is supported by overarching policies in the adopted UDP (2006), and supplementary planning documents in the form of the Haringey Heartlands Framework (2005) and

Tottenham Hale Urban Centre Masterplan SPD (2006).

- 7.1.9. The Council identified 85 Marsh Lane as a suitable site to relocate both the Ashley Road Depot and the smaller depot site at Western Road. The relocation would make the current sites available for residential development in line with strategic proposals.
- 7.1.10. Development of the Marsh Lane site would facilitate the establishment of a centralised, borough-wide recycling facility. It is an aspiration of this project that the new facility will stimulate a new green industry cluster in support of the Central Leaside Area Action Plan. The new depot would enable the Council to integrate new recycling processes, contribute to addressing delivery targets in this area and cope with the increased demand arising out of the borough's housing growth. The potential exists for wider benefits and economies of scale by adopting a strategic approach and linking with the North London Waste Authority
- 7.1.11. The Ashley Road Depot currently contains a recycling centre and CCTV control centre. It also provides parking for Homes for Haringey and Accord's refuse vehicles, as well as space and facilities for a number of other uses and Council services including: Meals-on-Wheels, Parking, Environmental Health, Passenger Transport, Street Lighting and Parks.
- 7.1.12. The Council engaged NPS to undertake an accommodation and technical assessment to determine the suitability of the Marsh Lane site to accommodate the Council's needs. Their findings confirmed that the site is appropriate for the proposed use and detailed which priority services could be accommodated. A full copy of the report was appended to the Committee paper in April 2008 and is available for review if required.
- 7.1.13. NPS were engaged under a fresh contract in September 2008 to prepare a Feasibility Study (FS). The draft report was provided to the Project Board in April 2009 and considered three options. Option 3 outlined in the FS was approved for further development. The proposal is to engage NPS Property Consultants Limited and the full design team to take the project forward stage by stage to a full planning application and construction if planning consent is achieved and sufficient funding is available. The current programme prepared by NPS Property Consultants Limited projects that the full planning application will be submitted in December 2009, with a planning committee decision by the end of April 2010.
- 7.1.14. Demolition is necessary prior to any site development and will remove the potential risk to the Council associated with illegal access to the site and buildings. The appointment of a demolition contractor is the subject of a separate Committee Report.
- 7.1.15. The latest programme prepared by NPS shows that the construction contract

will be tendered between August and September 2010. Construction is programmed between February 2011 and July 2012. The design team may work with the contractor to carry out a final construction design review at this stage to ensure design detail is clear and agreed. This new programme is considered realistic but conservative and there is an expectation that this may be improved upon.

7.2 Budget and financial implications

7.2.1. The fee for engaging the design team is set by the Framework. The detail of this fee proposal is at Appendix A as it is exempt information. The fee excludes any additional surveys or specialist consultant's fees. The project will proceed by stages and the contract will allow for termination at the end of each stage if the project is not taken forward for any reason.

7.2.2. The original report to purchase Marsh Lane site did foresee the possible risk that funding may not be available to construct the building in the short term. The options considered were to clear the site and sell with outline planning approval or to rent the cleared site for storage, both options are still viable. The programme provides the breathing space that may be required in the current financial/commercial downturn, as a key funding source for the development of the Marsh Lane site is the sale of the existing Ashley Road Depot. The programme will also enable further time for the Greater Ashley Road master plan to be developed before this financial commitment is required.

7.2.3. The demolition is funded by Growth Area Funding Round 3, to £1,200,000. The overall existing funding for the Marsh Lane project is as follows:

Confirmed funding	Amount
Carry over from 08/09 (section 106).	344,000
Prudential borrowing.	10,000,000
GAF3, demolition.	1,200,000
GAF3 right of way.	50,000
Site 'B' rental.	56,000
TOTAL	11,650,000

7.2.4. The NPS appointment will be on a stage by stage basis and the contract will allow for termination at the end of any stage. This will protect the Council from any liability for the full design team fee if construction does not take place.

8. Chief Financial Officer Comments

8.1. The 2009/10 capital programme includes £324k to cover design fees and specialist

consultant fees to be incurred in the current financial year. The cost of engaging NPS take the Marsh Lane project to a full planning application will be met from this budget. The cost of fees beyond this point, if planning consent is granted, will be dependent upon identifying additional funding for the scheme to enable it to proceed to completion.

8.2. Revised capital estimates and funding arrangements will be prepared over the coming months in developing the Pre Business Plan Review documentation for 2010/11 to 2012/13.

9. Head of Legal Services Comments

9.1. The single-supplier Framework referred to in paragraph 7.1 was tendered in accordance with the Public Contracts Regulations 2006.

9.2. Under the terms of the Framework contracts can be awarded to NPS Property Consultants Limited on a 'call-off' basis as recommended in paragraph 4.1.

9.3. In accordance with CSO 11.03 as the value of the contract referred to in paragraph 4.1 exceeds £250,000 it can only be awarded by Members.

9.4. As the value of the contract referred to in 4.1 exceeds £500,000 it is a key decision, and the Directorate has confirmed that it has been included in the Forward Plan.

9.5. The Head of Legal Services sees no legal reasons preventing Members from approving the recommendation in section 4.

10. Head of Procurement Comments –[Required for Procurement Committee]

10.1. The Consultant – NPS Property Consultants Limited – has been called off the Council's Consultants for Construction Works framework for design and related construction services as the single strategic supplier which was established in April 2008 for an initial two years.

10.2. NPS Property Consultants Limited have in turn set up their supply chain in discussion with the client and the fees agreed are competitive.

10.3. The Head of Procurement therefore acknowledges the recommendations to appoint NPS Property Consultants Limited as stated in paragraph 4.

11. Equalities & Community Cohesion Comments

11.1. There are no specific equalities or community cohesion implications arising from this report. However, any effort to regenerate must recognise the ethnicity and diversity of the borough and demonstrate how disadvantaged local communities will benefit from the investment planned.

12. Consultation

12.1. [click here to type]

13. Service Financial Comments

13.1. Having been consulted throughout the whole process, I can confirm there are sufficient funds within the budget to take the project to planning consent. There are no financial implications on the revenue.

13.2. Future capital funding arrangements will form part of the Pre Business Plan Review process going forward to 2010/11 and 2012/13.

14. Use of appendices /Tables and photographs

14.1. Appendix A – Exempt information, fee proposal

14.2. Appendix B- 85 Marsh Lane site

15. Local Government (Access to Information) Act 1985

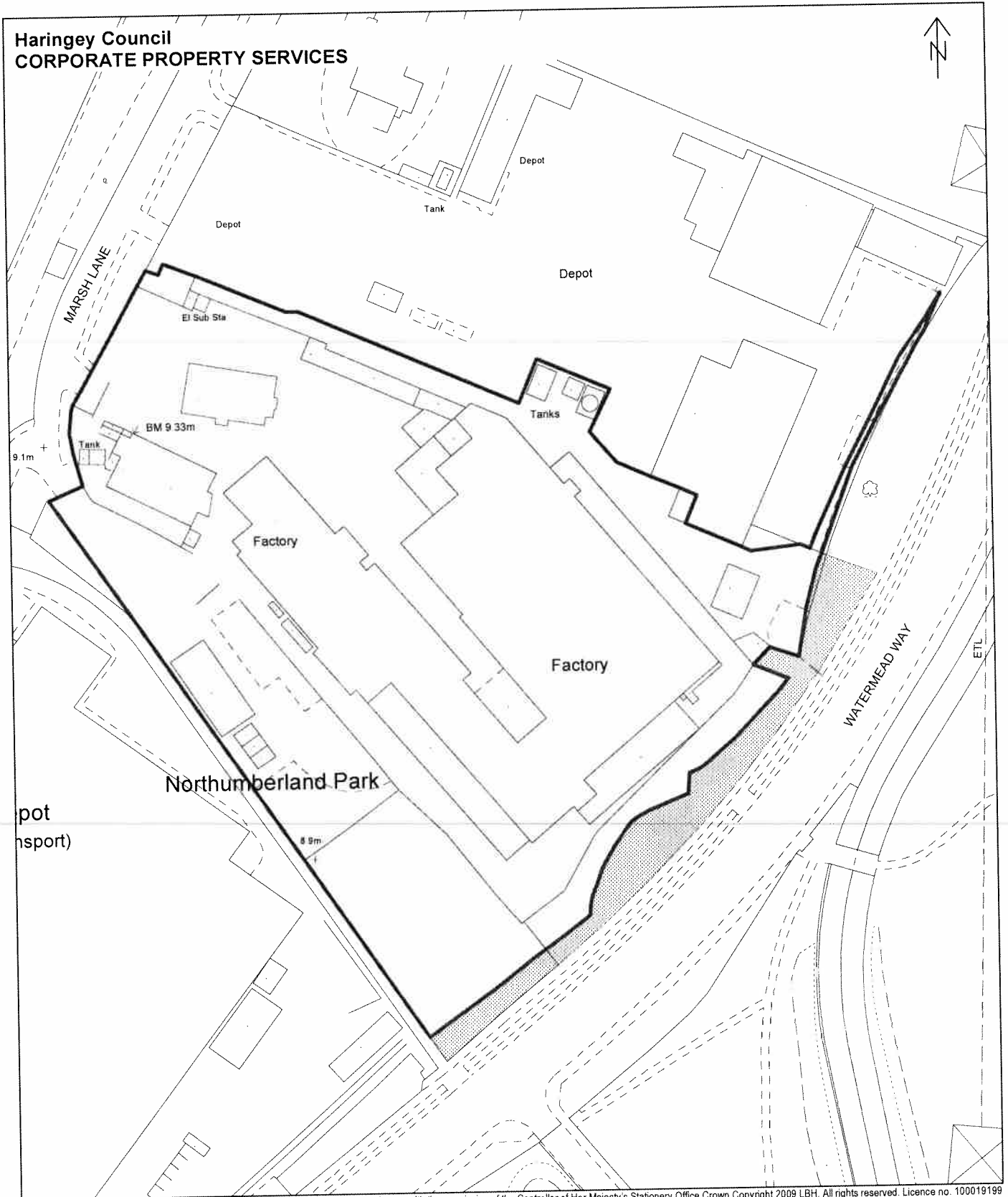
15.1. List of Background documents:

- Report to Cabinet, (22/04/08), Acquisition of 85, Marsh Lane, Tottenham, N17 0UX.
- Haringey Heartlands Framework, (2005).
- Tottenham Hale Urban Centre Masterplan, (2006).
- Haringey Unitary Development Plan, (2006).
- Haringey Programme of Development: 2008 – 2016, (2007)
- Haringey Refreshed Programme of Development 2008 – 2016 (2008)
- 'Going Green', Haringey Council's Greenest Borough Strategy.

15.2. This report is not for publication as it contains exempt information under the following categories:

Part 1 (3): Information relating to the financial or business affairs of any particular person (including the authority holding that information

Appendix B



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**85 Marsh Lane
(sites A, B and highway land)
Tottenham
LONDON N17**

Key:

Red verge - Sites A and B

Deed Doc. No. :

LR title no. :

Site Area (hectares) :

Scale 1:1250

CPM No.

Overlay : Environment - Depots