

**Haringey Council**  
**Written Statement/Record of a decision made by an officer under delegated authority**

<b>Decision Maker (Post Title)</b>	Head of Programme Management – Regeneration and Economic Development
<b>Subject of the decision</b>	Approval for Implementation of contract under Contract Standing Order 10.02.1a extension of contract for provision of property agency and Compulsory Purchase Order (CPO) consultancy services to support the Wards Corner Acquisition Programme over a 12 month period
<b>Date of decision</b>	19/08/2024
<b>Decision</b>	For the Head of Programme - Regeneration and Economic Development to approve the implementation of Contract Standing Order 10.02.1a and Extend and Vary the contract with CBRE 12 months from July 2024 until June 2025 at a cost of £22,000. This is an increase on the previous contract (4400013848) value of £77,500. The aggregated total value of the contract is £99,500.
<b>Reasons for the decision</b>	<p>The Council continues to support the delivery of the Wards Corner Acquisition Programme.</p> <p>This contract extension will build upon initial CPO advice provided by CBRE and subsequent negotiations with third party owners and leaseholders within the Wards Corner development site boundary.</p>
<b>Details of any alternative options considered and rejected by the officer when making the decision</b>	<p>The following option was considered:</p> <p>Not to extend the appointment of CBRE to provide property agency and CPO consultancy services. Option rejected as CBRE have detailed knowledge of both the CPO procedure adopted (as advised by CBRE) and hold full detail on the properties to be acquired. They have undertaken lengthy negotiations with the owners/leaseholders affected by the CPO and negotiations are currently in hand.</p>
<b><u>Conflicts of interest – Executive decisions</u></b>	N/A
<b><u>Conflicts of interest – Non executive decisions</u></b>	N/A

<p>Title of any document(s), including reports, considered by the officer and relevant to the above decision or where only part of the report is relevant to the above decision, that part)</p>	<p>Appendix A: CBRE DAR dated 1<sup>st</sup> August 2022 (Exempt from publication)</p> <p>Appendix B: <a href="#">Wards Corner Acquisition Programme cabinet report – 5<sup>th</sup> July 2022</a></p>
<p>Reasons for exemption with reference to categories of exemption specified overleaf, or</p> <p>Reason why decision is confidential (see overleaf)</p> <p>Note: decisions containing exempt or confidential information falling within the categories specified overleaf are not required to be published.</p>	<p>Appendix A and the Decision Report are exempt from publication as they contain commercially sensitive information (Schedule 12A of the Local Government Act 1972).</p>
<p>Signature of Decision Maker</p>	
<p>Name of Decision Maker</p>	<p>Head of Programme Management – Regeneration and Economic Development</p>
<p>Does the decision need to be published?</p> <p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	

### Exempt Information

Local Government Act 1972 Schedule 12A

#### Part 1: Descriptions of Exempt Information

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any person (including the authority holding that information).

4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and secondees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes -
  - (a) To give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
  - (b) To make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation, or prosecution of crime.

**Note: It is insufficient to simply identify a category of exemption, you must also conduct a public interest test on the basis specified in the Act as follows:**

Information falling within categories 1-7 is exempt if and so long as in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

#### **Confidential Decisions**

- 1.1 The decision contains information provided by a Government department on a non-disclosure basis.
- 2.1 There is a Court order against disclosure

## DECISION MAKING REPORT

**Report for:** Head of Programme Management – Regeneration and Economic Development

**Item number:** N/A

**Title:** To extend the contract with CBRE for the provision of property agency and Compulsory Purchase Order (CPO) consultancy services to support the Wards Corner Acquisition Programme.

Extension of contract for provision of property agency and Compulsory Purchase Order (CPO) consultancy services to support the Wards Corner Acquisition Programme over a 12 month period expiring June 2025.

**Report authorised by :** Sarah Lavery, Head of Property Change, Capital Projects & Property

**Lead Officer:** Mark Leeson, Development Consultant, Capital Projects & Property

**Ward(s) affected:** Seven Sisters

**Report for Key/  
Non-Key Decision:** Non-Key Decision

### 1. Describe the issue under consideration

1.1. To extend the contract with CBRE for the provision of property agency and CPO consultancy services to support the Wards Corner Acquisition Programme.

### 2. Recommendation

2.1 For the Head of Programme Management - Regeneration and Economic Development to in accordance with CSO 10.02.1a) retrospectively approve an extension of £22,000 (excluding VAT) increasing the contract value from £77,500 to £99,500 to facilitate continuing services to support the Wards Corner Acquisition Programme for the period 12 months from 1<sup>st</sup> June 2024 to 1<sup>st</sup> June 2025.

### 3. Reasons for decision

3.1 In August 2021, the Council's development partner Grainger, made a public statement confirming that due to viability challenges they will withdraw from the Wards Corner development.

3.2 On 5<sup>th</sup> July 2022, cabinet approved (cabinet report included at Appendix B) the Wards Corner Acquisition Programme which involves the acquisition of 44 third-party property and land interests within the Wards Corner site; including 37 owned by Grainger, 6 held by private third-part property owners/occupational leaseholders and one parcel of land owned by Transport for London.

- 3.3 Terms for the purchase of the 37 Grainger property and land interests under the Development Agreement option were agreed and the Council completed the purchase of these properties in November September 2022.
- 3.4 The 6 private third-party property interests to be acquired by the council comprise:  
2x freehold houses on Suffield Road.  
1x long leasehold flat on Seven Sisters Road.  
1x commercial long lease on the High Road; and  
2x commercial occupational leasehold interests on Seven Sisters Road
- 3.5 The Council strategy is to conclude the acquisitions of the 6 remaining private third-party properties by agreement but Compulsory Purchase Order (CPO) powers to obtain ownership and vacant possession of the relevant properties have been invoked.
- 3.6 As CBRE has engaged with the property owners currently/previously it is considered that they are best placed to continue to provide the required property agency and strategic CPO services to the Council. The continuation of CBRE's appointment will give the council the best chance of reaching agreement with the six property owners/occupational leaseholders and concluding acquisitions by the end of December 2025.

#### **4. Alternative option considered**

- 4.1 Option: No other option was considered as costs and continuation of services have been ongoing. It should be noted CBRE have detailed knowledge of both the CPO procedure adopted (as advised by CBRE) and hold full detail on the properties to be acquired. They have undertaken lengthy negotiations with the owners/leaseholders affected by the CPO and negotiations are currently in hand.

#### **5. Background information**

- 5.1 CBRE are currently engaged by the Council to provide property agency advice and the following strategic CPO consultancy services to support the Council through to the conclusion of the CPO process (internal order number 10006251):
- a) Strategic compulsory purchase property compensation advice
  - b) Support Land Referencing role
  - c) Support and advise on CPO process & implementation
  - d) Provide property cost estimate reporting for the project budget
  - e) Apply the national compensation code to all agreements
  - f) Respond to and settle blight notice applications under s150 TCPA 1990
  - g) Answer compensation claims
  - h) Advise on s52 advance payments of compensation
  - i) Expert Witness at Upper Tribunal when compensation in dispute

5.2 The existing contract was expected to run until January 2023 at an estimated cost of £47,000 (excluding VAT) (including sub consultant land referencing work). As the CBRE fee is based on a time charge basis and the extent of work required was at the time of appointment was uncertain it was considered prudent to include a contingency allowance of £30,000 to cover any additional time charges and work that may be required. As such, the total estimated cost of the existing commission was £77,500 (excluding VAT). The CPO route subsequently adopted, together with the protracted nature of negotiations with third parties over an extended timeframe has meant that this initial budget has now been expended. Hence the recommendation contained within this report.

## 6. Contribution to strategic outcomes

6.1 The project will support the council in delivering the following priorities in the council's Borough Plan.

### **Economy - a growing economy which provides opportunities for all our residents and supports our businesses to thrive**

6.2 The Council launched the 'Good Economy Recovery Plan' in Autumn 2020 in response to challenges posed by Covid-19 to High Streets, Town Centres and individual businesses. Key priorities include:

- Re-opening and supporting high streets and town centres.
- Supporting businesses through recovery and into renewal; and
- Securing social and economic value through investment in neighbourhoods and communities.

6.3 This project will seek to invest in the physical environment to bring poor quality and underutilised property on the site into productive use through commercial uses. This will deliver a 'good economy' model – good jobs, greater fairness, recognising the link between health and wellbeing, business resilience and environmental sustainability.

### **Place - a place with strong, resilient and connected communities where people can lead active and healthy lives in an environment that is safe, clean and green**

6.4 The Wards Corner project will support the Place Priority by:

- Transforming the physical environment and public realm on the site, to deliver a safe, lively and welcoming place where people can have greater pride in their local area; and
- Building on the site's existing character and working closely with the existing community to ensure that the development reflects its local context.

### **Housing - a safe, stable and affordable home for everyone, whatever their circumstances**

6.4.1 One of the Council's highest priorities is to deliver high quality council homes on council land. The project will seek to provide secure, high quality and affordable

housing as part of a new urban neighbourhood, delivering inclusive, mixed and sustainable communities with the right mix of tenures to meet local needs.

**7. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

**Finance**

- 7.1 This report seeks approval for contract extension of £22,000 (excluding VAT) increasing the contract value from £77,500 to £99,500 to facilitate continuing services to support the Wards Corner Acquisition Programme.
- 7.2 The additional cost associated with this proposal will be funded by the budget provision captured under capital scheme 430 – Ward Corner Development.
- 7.3 Given that circa 75% of this spend was capitalised within the Ward Corner acquisition programme in FY 2022/23, it is anticipated that the remainder of this cost will be capitalised within future ward corner acquisitions.

**Strategic Procurement**

- 7.4 Strategic Procurement have been consulted in the preparation of this report.
- 7.5 Strategic Procurement note that this is a retrospective request for a contract extension.
- 7.6 CSO 10.02.1 permits a Director to authorise an extension to contract provided the value of the extension is less than £500,000.
- 7.7 Strategic Procurement support the recommendation section 2 of this report.

**Legal**

Not required

**8. Use of Appendices**

Appendix A: CBRE DAR dated 1<sup>st</sup> August 2022 (Exempt from publication)

Appendix B: [Wards Corner Acquisition Programme cabinet report – 5<sup>th</sup> July 2022](#)