Report for:	**Cabinet Meeting, 21st October 2025**
Title:	**Approval to tender for the Mallard Place (Chocolate Factory Phase 2) Works Contract, N22**
Report	
Authorised by:	**Taryn Eves, Corporate Director of Finance and Resources**
Lead Officers:	**Jack Goulde/Anna Blandford, Head of Design Quality & Acquisitions / Head of Development**
Ward(s) affected:	**Noel Park**
Report for Key/	
Non-Key Decision:	**Key Decision**

1. **Describe the issue under consideration**

1.1. This report seeks Cabinet's approval to tender for a build contractor to construct the development of 150 new Council homes and commercial spaces on the Block D site, New Street N22 and Mallard Place, Coburg Road N22. This new development is called Mallard Place (Chocolate Factory Phase 2).

2. **Cabinet Member Introduction**

2.1. The driving mission of this council is to build a fairer and greener borough. London has a housing crisis – and we are seeing more and more local residents unable to afford rents, let alone afford to buy.

2.2. To do our part in addressing this situation we – with financial support from both the Mayor of London and the government – are building at least 3,000 new council homes at council rents by 2031. We are creating more genuinely affordable homes for local people.

2.3. Numbers are essential, but we're focused as much on quality as quantity. We're building council homes that will last, with great insulation standards, great interior and exterior design standards and a strong mix of family and individual homes. We make sure homes are as well-insulated and energy efficient as possible, because we want homes that aren't just affordable to rent but affordable to run. Mallard Place will bring 150 of those 3,000 new homes.

2.4. More than two-thirds will be two-beds or more – giving us more genuinely affordable homes with the space to raise a family. 15 homes will be fully designed for wheelchair users.

2.5. To help cut heating bills, the building will have air source heat pumps and more than 75 solar panels on the roof. The floors will have a layer of noise-proofing – above and beyond what's legally required – to help keep homes quieter and minimise neighbour disputes.

2.6. All flats on upper floors will have private balconies. There'll be a shared garden too with a playground for children. The flats will be built on brownfield land at the old Chocolate Factory in Wood Green. New trees will be planted around the new building to help green the area and nearly 300 secure cycle parking spaces will be installed.

2.7. This is another great contribution to affordable housing – real affordable housing in this borough

3. Recommendations

It is recommended that Cabinet:

3.1. Approves the tendering of the works contract for Mallard Place (Chocolate Factory Phase 2) within the maximum construction cost contained in the exempt report.

3.2. Approves the Commencement of the Procurement in accordance with CSO 2.01 b) (Cabinet approve commencing a procurement exercise for proposed Contracts valued at £500,000 or more) to appoint a contractor to undertake works related to Mallard place for a period of up to 3 years commencing July 2026.

3.3. Approves the primary route to market being the LCP Minor Works Dynamic Purchasing System (DPS), in accordance with CSO 8.01 (use of LCP DPS). In the event the DPS does not generate sufficient interest or an acceptable tender, the procurement will revert to the LCP Major Works Housing Framework (MWH -24 Lot 1.3), in accordance with CSO 7.02 (use of LCP Frameworks).

4. Reasons for decisions

4.1. These approval decisions will ensure that the Council will not lose the grant allocations it has secured, by tendering the build contract in readiness to have entered into contract by March 2026. Details of the grant funding conditions are set out in the exempt report.

4.2. This decision supports the delivery of 150 homes towards the Council's house building target of 3000 Council homes by 2031

5. Alternative options considered

5.1. The Council could decide to not tender the scheme. This option was discounted as it would negatively impact on the Council's target of building more than 3,000 genuinely affordable high-quality council homes by 2031.

5.2. The alternative option is to sell the site(s). This isn't the preferred option, and the land value would likely be low. This option would impact the Council's commitment to build 3000 Council homes by 2031 and would also contravene agreement with the GLA.

6. Background information

6.1. It was approved by Cabinet on 13th October 2020 to acquire part of the leasehold interest from Workspace of the land shown coloured green on the red line plan in Appendix 1 and known as the Chocolate Factory

6.2. The Council also acquired the whole of the leasehold interest from Workspace of the land set out in blue in the red line plan in Appendix 1 and known as Mallard Place. The remainder of the existing term was extended up to a maximum of 250 years of the existing lease of the part of the Chocolate Factory site remaining in Workspace ownership and shown coloured red on the plan attached at Appendix 1.

6.3. This decision would enable the Council to develop the area acquired from Workspace in accordance with planning consent to build 137 new homes as part of the Council

Housing Delivery Programme on the Chocolate Factory site. These were expected to be completed by the summer of 2023. The proposal also enabled the Council to develop a further 66 homes on the Mallard Place site at a later phase.

6.4. The Council have since been working on the design of a mixed-use development at Block D/Mallard Place that will deliver new council homes and have now commenced Royal Institute of British Architects (RIBA) Stage 3 design. A planning application is expected to be ready and submitted in October 2025.

6.5. The Faith Miracle Church site adjacent to Mallard Place was designed at feasibility stage but the Council have agreed to sell the freehold of the site to the Faith Miracle Church due to Faith Miracle Church invoking the Places of Worship (Enfranchisement) Act 1920. This allows a tenant (religious organisation) to buy the freehold from their landlord. Consequently, it is not part of this scheme.

6.6. The Council's Property Team have liaised with the leaseholder of the Units 1, 2 and 3 Clarendon Road, known as 'The Lapinieres' and the owners have no interest in surrendering their lease, so this site was excluded.

6.7. The Housing Delivery Team have consulted with the Local Planning Authority and the Greater London Authority on its proposed plans. Local Planning Authority Officers were supportive of the scheme and at the Local Planning Authority pre-application in March 2025, Planner's commented on residential use that Policy DM10 of the DM DPD supports the proposal for new housing as part of mixed-use proposals. It was also noted that the residential units forming part of this development would contribute towards the Council's overall housing targets and much needed housing stock. Site Allocation SA19 states that a mixed-use development with residential use is expected.

7. Site history

7.1. The Industrial nature of the area was driven by the construction of 'The Great Northern' railway in the 1850's. The site's proximity to the railway brought manufacturers to the area to build factories and warehouses, i.e. The Chocolate Factory.

7.2. The Tobacco site to the south converted to the Gas Works in 1866. This site is now being substantially redeveloped.

7.3. The Mallard Place site consisted of a series of terraced houses from at least 1894. These were demolished at some point between 1969-1979 and redeveloped for industrial usage.

7.4. The Mallard Place site is currently occupied by Area 51 Education Limited, who are in occupation of the building on a license. The Council is working with Area 51 to seek Vacant Possession of the site by July 2026. Block D is a vacant site (Appendix 2).

8. Design and Planning history

8.1. A Design Team was appointed in November 2024 to progress the feasibility of Block D and Mallard Place to a RIBA Stage 1 and 2, concept design stage.

8.2. Due to the scheme being referrable to the GLA, there has been one pre-planning application meeting with the GLA, as well as two pre-application meetings held with the Council's Planning department. It is forecast that there will be a further pre-application meeting with the GLA and one more pre-application with Local Planners ahead of planning submission. A right to light study will be undertaken to assess the impact on existing residents.

8.3. The current housing mix is 51 x 1-bed properties, 67 x 2-bed properties, 28 x 3-bed properties and 4 x 4-bed maisonettes (with 15 of these 150 properties being M4(3) wheelchair accessible flats).

9. **Engagements and Consultations**

9.1. Three drop-in community engagement events have been undertaken to seek the view of residents, local community groups and Councillors from August to September 2025, with residents also having the opportunity to comment on proposals online via a questionnaire within the same time period.

9.2. There is no S105 consultation required because there is no loss of amenities to existing residents.

10. **Procurement Strategy**

10.1. Following discussion with the Council's Procurement Team, the Council will be using the London Construction Programme (LCP) Dynamic Purchasing System Minor Works Service - General Construction Multi Trade in accordance with CSO 8.01 (use of LCP DPS)

10.2. Should this not generate sufficient interest or an acceptable tender, the procurement will revert to the LCP Major Works Housing Framework Lot 1.3 in accordance with CSO 7.02 (use LCP Framework) and the PCR 2015.

10.3. In order to meet the funding timeline, the Council is proposing a single stage tender, with the added benefit of obtaining a fixed price. The Council received positive responses to a single-stage tender from three contractors on the LCP framework when Expressions of Interest were sought in June 2025.

11. **Programme**

11.1. The current programme envisages a contract award in Quarter 1 of 2026/27. It is critical the Council meets this milestone as both MHCLG and GLA funding require contracts to be signed by March 31st, 2026. Officers are negotiating to extend that deadline for this specific scheme to June 2026.

11.2. The scheme is expected to be completed by July 2029. Due to the towers being 'Higher Risk Buildings' under the Building Safety Act, there will be Gateway submissions required. This poses some risk to programme in light of Gateway 2 approval delays being a common occurrence in the construction industry at present, typically between 6 and 12 months. This risk will be mitigated by allocating risk to the contractor

12. **Contribution to the Corporate Delivery Plan 2024-2026 strategic outcomes**

12.1. The recommendations in this report will make a significant contribution and support the delivery of key themes within the Corporate Delivery Plan (CDP) 2024-2026.

12.2. Homes for the future: The construction of these new homes directly contributes to this key theme. The council's vision to create a borough where everyone has a safe, sustainable, stable, and affordable home. Providing 150 new

Council homes at Social Rents will meet this key theme.

13. **Statutory Comments**

13.1. **Director of Legal & Governance**

13.1.1. The Director for Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

13.1.2. Pursuant to the Council's Contract Standing Order (CSO) 2.01(b), Cabinet has authority to approve the commencement of a procurement exercise where the value of the contract to be procured is £500,000 or more and as such the recommendation in paragraph 3 of the report is in line with the Council's CSO.

13.1.3. Pursuant to the Council's CSO 8.01 and Regulation 34 of the Public Contracts Regulations 2015 (PCR2015), the use of a Dynamic Purchasing System (DPS) is a compliant route to procure the services in the report and also pursuant to the provisions of the Council's CSO 7.02, the use the LCP Major Works Housing Framework (MWH -24 Lot 1.3) is also a compliant route to procure the services in the report and as such the recommendations in paragraph 3.3 of the report is in line with both the Council's CSO and the PCR2015.

13.1.4. The Director of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing Cabinet from approving the recommendation in this report.

13.2. **Procurement**

13.2.1. Strategic Procurement notes the contents of this report, and the recommendations as set out.

13.2.2. Strategic Procurement will work with the service to ensure value for money is achieved through the procurement activity, including delivery of the social value aligned with the Council's priorities.

13.2.3. Pursuant to the provisions of the Council's Contract Standing Order (CSO) 2.01(b), Cabinet required to approve the commencement of a tendering process where the value of the contract to be procured is £500,000 and above, and as such the recommendation in paragraph 3.1 of the report is in line with the provisions of the Council's CSO.

13.2.4. Strategic Procurement recommends conducting a market engagement with the DPS suppliers prior to launching the procurement. Should this not generate sufficient interest or an acceptable tender, the procurement will revert to the LCP Major Works Housing Framework Lot 1.3 in accordance with CSO 7.02 (use LCP Framework) and the PCR 2015. Further procurement comments can be found in the exempt report.

13.3. **Finance**

13.3.1. **HRA**

13.3.2. The cost of this scheme is provided for in the HRA capital budget and included in the Medium-Term Financial Strategy (MTFS).

13.3.3. The scheme will add 150 homes to the housing stock and progress the Council's stated objective of delivering 3,000 homes by 2030/31.

13.3.4. The cost of the scheme can be contained within the HRA.

13.3.5. Further finance comments are provided in the Exempt part of this report.

13.4. **Equalities**

13.4.1. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

13.4.2. Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.

13.4.3. Advance equality of opportunity between people who share those protected characteristics and people who do not.

13.4.4. Foster good relations between people who share those characteristics and people who do not.

13.4.5. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

13.4.6. The report is seeking approval to tender a main build contract to construct Mallard Place (Chocolate Factory Phase 2). Public consultation/Community engagement with residents will occur August to September 2025.

13.4.7. This decision will increase the supply of Council homes. This will have a positive impact on individuals on the housing register, which is known to be overrepresented by certain protected characteristics, including women, younger people and people from ethnic minority backgrounds. The decision will particularly support families in need of two and three-bedroom homes, which includes people in severe housing need and people currently living in temporary accommodation.

13.4.8. With regards to the contract appointment, as an organisation carrying out a public function on behalf of a public body, the contractor will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above.

Use of appendices

- Appendix 1 – Plans of Purchased Sites
- Appendix 2 - Mallard Place (Chocolate Factory Phase 2) Site Plans
- Appendix 3 - Mallard Place (Chocolate Factory Phase 2) Previous minutes of Cabinet reports
- Appendix 4 – Risk Analysis (EXEMPT)
- Appendix 5 - Chocolate Factory Phase 2 Valuation Update 080825 (EXEMPT)

Local Government (Access to Information) Act 1985

Appendix 4 is NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of Local Government Act 1972

Appendix 5 is NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of Local Government Act 1972