



**Report for:** November 2025 Cabinet Member signing

**Item number:** TBC

**Title:** Award of construction contract

**Report Authorised by:** Taryn Eves, Corporate Director of Finance and Resources

**Lead Officer:** Robbie Erbmann, Delivery Director of Capital Projects & Property

**Ward(s) affected:** Exempt

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

## **1. Describe the issue under consideration**

- 1.1 This report seeks Cabinet Member approval to appoint the preferred contractor for the delivery of a construction contract at undisclosed site – detailed in the exempt part of this report. The development is designed to provide safe and secure accommodation.
- 1.2 The Cabinet Member is asked to approve the appropriation of the land outlined in red on the plan at Appendix 2—from housing to planning purposes—to enable the delivery of the scheme. This appropriation will allow the Council to exercise its powers to override any third-party rights or interests (subject to appropriate engagement with affected parties), and subsequently re-appropriate the land back to housing use upon practical completion of the development.

## **2. Cabinet Member Introduction**

- 2.1 N/A

## **3. Recommendations**

It is recommended that the Cabinet Member for Housing and Planning:

- 3.1 Approves the appointment of Contractor A, as identified in the Appendix 1 exempt part B of this report, to undertake the new build works for the contract sum as set out in the exempt report.
- 3.2 Approve the rents as set out in section 1.5 of the exempt part of this report.
- 3.3 Approves the exemption as set out in section 1.6 of the exempt part of this report.
- 3.4 Notes and considers the engagement and consultation undertaken in relation to this site, as detailed in section 3 of the exempt part of this report.
- 3.5 Approves the appropriation of the land, shown edged red on the plan at appendix 2 in the exempt part of the report, from housing purposes to planning purposes pursuant

to Section 122 of the Local Government Act 1972, as it is no longer required for the purpose for which it is currently held, and for the purpose of carrying out the works approved under the planning permission for the scheme .

- 3.6 Approves the use of the Council's powers under Section 203 of the Housing and Planning Act 2016 to override any easements and other third-party rights and interests relating to the land edged red on the plan at Appendix 2 in the exempt part of the report that may be infringed by the development approved under the planning permission for the scheme and further described in the exempt part of the report.
- 3.7 Delegates authority to the Corporate Director of Culture, Strategy and Communities, in consultation with the Corporate Director of Finance and Resources, to agree and make any necessary compensation payments arising from valid claims relating to third-party rights affected by the development, in accordance with the Council's scheme of delegation.
- 3.8 Approves the appropriation of the land shown edged red on the plan at appendix 2 in the exempt part of the report, from planning purposes back to the Housing Revenue Account (HRA) for housing purposes under Section 19 of the Housing Act 1985 upon practical completion of the development.
- 3.9 Approves the total scheme cost as set out in the exempt part B of the report.
- 3.10 Approves the issuance of a Letter of Intent for up to 10% of the contract value, as detailed in the exempt section of the report.

#### **4. Reasons for decisions**

- 4.1 Contractor A has been identified through a formal tender process as the preferred contractor to deliver the new build.
- 4.2 There are no known reasons to believe that any third-party rights have been infringed by the development for the reasons set out in the section 6.2 (leading to the exempt part of this report).
- 4.3 This scheme will contribute to the Council's commitment to deliver high-quality, affordable provision as set out in the exempt part of this report in Haringey.

#### **5. Alternative options considered**

- 5.1 One option considered was to not to proceed with the development, as the Council has no statutory duty to provide such services. However, excluding this site would have undermined the Council's ability to meet identified local needs.
- 5.2 The opportunity was procured through a competitive tender process using the Council's Dynamic Purchasing System. This route was recommended by Strategic Procurement based on the contract value and the need to ensure a fair and transparent process.
- 5.3 Alternative procurement options included either a restricted competitive tender to the

open market via the Haringey Procurement and Contract System or a direct award to one of the LCP framework providers. These options were rejected in favour of the DPS route, which offered stronger safeguards around quality and pricing through open competition.

- 5.4 In order for the Council to carry out the works under the planning permission, the land must be appropriated for planning purposes pursuant to Section 122 of the Local Government Act 1972. If the Council did not appropriate the site for planning purposes, the works would not be authorised under the planning powers of Part 9 of the Town and Country Planning Act. Also, the Council could not use its powers under Section 203 of the Housing and Planning Act 2016 to override the party interests and rights, and, this would expose the development to potential delays or legal challenges from third-party claims. By utilising its powers under Section 203 of the Housing and Planning Act 2016, the Council has ensured that any third-party rights or easements affected by the development are converted into a right to compensation, rather than a right to seek an injunction. The Council acknowledges the potential rights of third parties and will make compensation payments where a legal basis is established. The Housing Delivery team engaged with local residents throughout the feasibility and design stages, and feedback received was considered by the Planning Committee in its decision-making.
- 5.5 The Council could have opted not to appropriate the land back to housing purposes upon completion of the building works. This option was rejected, as it would have prevented the Council from offering the much needed provision as set out in the exempt part of this report.

## **6. Background information**

### **6.1 Site History**

See exempt report.

### **6.2 Engagement and Consultation**

See exempt report.

## **Build Contract**

- 6.3 This report seeks approval for the award of the construction contract to enable the commencement of new build works for the scheme.
- 6.4 The scheme was designed up to Stage 3 of the Royal Institute of British Architects (RIBA) Plan of Work 2020. Following the granting of planning permission a contractor is required to develop the technical design and deliver the construction phase.
- 6.5 The scheme was tendered as a single-stage competitive process under the JCT Design & Build Contract 2016 Edition.
- 6.6 Six bids were received, and the Council's appointed Quantity Surveyor independently

evaluated the financial submissions.

- 6.7 Tenders were evaluated based on Quality (40%), Price (50%), and Social Value (10%), in accordance with the criteria set out in the Invitation to Tender (ITT) documents.
- 6.8 The initial review of the tender submissions identified a significant variation in pricing, with a 76% difference between the lowest and highest tendered prices. When focusing solely on construction costs, the variation was approximately 55%.
- 6.9 A detailed analysis of the tenders was undertaken by the independent Quantity Surveyor, who issued post-tender queries to all contractors. All responses to these queries were received by the deadline of 12pm on 28 August 2025.
- 6.10 Contractors were required to provide a percentage rate for overheads and profit (OH&P), both within their tender price and for any post-tender variations. The post-tender OH&P rates submitted were consistent with current market levels, averaging around 10%.
- 6.11 The combined scores for Quality, Price, and Social Value were used to rank the bidders in line with the Most Economically Advantageous Tender (MEAT) methodology. A summary of the overall scores is included in the exempt part of the report due to the commercially sensitive nature of the information.
- 6.12 The contract will be awarded on a fixed-price basis, covering all new build works, site mobilisation, enabling works, contractor management costs, overheads, and profit. A 12-month defects liability period will apply following practical completion.

## **7. Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes**

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.

- 7.1. **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.
- 7.2. **Responding to the climate emergency:** Responding to the climate change emergency is a core part of the Housing Delivery Programme. This scheme has been designed to Passivhaus principles and employs the latest sustainable technologies resulting in significant carbon emission reductions over the Building Regulations baseline, ensuring homes that are comfortable and efficient to run.
- 7.3. **Place and economy:** This project will ensure that the objectives set out in this theme are met by providing jobs through construction. This will help contribute to 'a thriving economy and a pleasant place' where 'everyone can find access to rewarding work that pays a living wage', as set out in the CDP.

## **8. Carbon and Climate Change**

- 8.1. The scheme has been designed to meet the Mayor of London's definition of a net zero carbon building through on-site measures alone. The development will deliver homes with a strong emphasis on sustainability and environmental performance.
- 8.2. The scheme incorporates a range of passive and active design strategies to reduce both operational and embodied carbon. These include:
  - A rooftop array of photovoltaic solar panels to generate renewable electricity on-site.
  - Air source heat pumps to provide low-carbon heating and hot water.
  - Green roofs to support biodiversity, manage rainwater, and improve insulation.
  - High levels of insulation and airtightness to reduce energy demand.
- 8.3. The building has been designed to mitigate overheating risk and maximise natural ventilation. All homes are dual or multiple aspect, allowing for cross-ventilation and enhanced daylighting. The layout also ensures that habitable rooms are positioned to optimise comfort and privacy.
- 8.4. The landscaping strategy supports climate resilience and biodiversity designed to promote resident wellbeing and environmental quality. New semi-mature trees will be planted, and existing trees will be retained wherever possible.
- 8.5. The scheme aligns with Haringey Council's Climate Change Action Plan and its commitment to delivering sustainable, low-carbon housing.

## **9. Statutory Officer Comments**

### **Legal**

- 9.1. The Director of Legal and Governance (Monitoring Officer) was consulted in the preparation of the report.
- 9.2. This report has an exempt part as it contains information considered exempt under Schedule 12A of the Local Government Act 1972. The public interest in maintaining the exemption outweighs disclosure.
- 9.3. Strategic Procurement has confirmed that the contract in the report was procured via the London Construction Programme, Dynamic Purchasing System under Minor Works, Principal Contractor – Housing & Residential Service Category and this is in line with the Council's Contract Standing Order (CSO) 8.01 and Regulation 34 of the Public Contracts Regulations 2015.
- 9.4. Pursuant to the Council's CSO 2.01(c), Cabinet has authority to approve awards of Contract valued at £500,000 or more.
- 9.5. Further to paragraph 9.3 above and pursuant to CSO 0.08 a decision reserved for Cabinet may be taken by a Cabinet Member with the agreement of the Leader and as such the recommendation in paragraph 3 of the report requesting approval from

Cabinet Member for Housing and Planning is in line with the Council's CSO so long as the Cabinet Member is taking the decision with the agreement of the Leader.

- 9.6. The recommendation in paragraph 3.10 of the report is permitted under the Council's CSO 16.04 which allows the issuance of a Letter of Intent pending the issuance and execution of a formal contract where works, goods or services under a contract is required to commence prior to the issuance and execution of a formal contract.

#### Appropriation under Section 122 of the Local Government Act 1972

- 9.7. Recommendation 3.5 seeks to appropriate the land edged red on the plan at Appendix 2 in the exempt part of the report currently held for housing. In order to carry out the development under the planning permission, the development site is required to be appropriated from housing purposes to planning purposes under Section 122 of the Local Government Act 1972 ("Section 122 LGA 1972"), which will allow the Council to utilise its powers under Section 203 of the Housing and Planning Act 2016 at Recommendation 3.6
- 9.8. Section 122 LGA 1972 provides that the Council may appropriate for any purpose for which the Council is authorised by any statute to acquire land by agreement any land which belongs to it and is no longer required for the purpose for which it is held immediately before the appropriation.

The key procedural points are as follows:

- a) The land must already belong to the council
- b) The land must no longer be required for the purpose for which it is currently appropriated; and
- c) The purpose for which the Council is appropriating must be authorised by statute

The site does not contain open space.

By appropriating the land for planning purposes under Section 122 of the LGA 1972, the Council is therefore able to engage the powers contained in Section 203 of the Housing and Planning Act 2016.

#### Section 203 of Housing and Planning Act 2016

- 9.9. Section 203 states a person may carry out building or maintenance work even if it involves (a) Interfering with a relevant right or interest (b) breaching a restriction as to use of land. This applies to building work where: -
- a) there is planning consent,
  - b) the work is on land for the purpose for which the land was vested, acquired or appropriated for planning purposes under section s.246(1) of the Town and Country Act 1990;
  - c) the authority could acquire the land compulsorily for the purpose of the building

work.

9.10. In applying the requirements of Section 203 above:

- a) full planning permission was granted for the full scheme in April 2022;
- b) it is recommended at 3.8 of this report that the land be appropriated for planning purposes under Section 122 of the LGA 1972;
- c) this requires that the Council acquire the land compulsorily for the purposes of the building work. Section 226(1) of the Town and Country Planning Act 1990 contains the compulsory purchase powers of the Council which 'the authority think that the acquisition will facilitate the carrying out the development, re-development on or in relation to the land' or 'required for a purpose which is necessary to achieve the proper planning of an area in which the land is situated'. This requirement is satisfied as the Council considers that the development will lead to an improvement in the economic, social or environmental wellbeing of the area, as outlined in this report.

9.11. Under Section 204 of the Housing and Planning Act 2016, any third-party rights interfered with by the proposed development are converted into rights to compensation. Recommendation 3.4 seeks delegated authority to approve and make such compensation payments where applicable

At Recommendation 3.5 the Council will be seeking to appropriate the land edged red on the plan at Appendix 2 in the exempt part of the report site, following practical completion back into the HRA. Recommendation 3.5 may take place under Section 19 of the Housing Act 1985 as it will no longer be required for its current purpose, in this case, planning, and will be appropriated back into housing, to be held in the HRA.

9.12. The Director of Legal and Governance (Monitoring Officer) see no legal reasons preventing the approval of the recommendations in the report.

### **Procurement**

9.13. Strategic procurement notes the contents of this report, and the recommendations as set out in section 3.1.

9.14. SP note the recommendations in this report are in line with the Contract Standing Orders clause 8.01. Pursuant to Regulation 34 of the Public Contracts Regulations 2015, tenderers were invited to Tender through the London Construction Programme, Dynamic Purchasing System under Minor Works, Principal Contractor – Housing & Residential Service Category.

9.15. The Council received six compliant bids for this for this Project. The Tender return was evaluated independently by a quality panel and the price element of the tender was evaluated separately. Bidder A scored the highest in price for this tender and evidenced they were able to meet the Quality element of the contract. The outcome



has achieved value for money as the winning bidder submitted the lowest price for this tender and it was tendered through a Dynamic Purchasing System, going out to around 162 suppliers which achieved competition.

- 9.16. SP supports the recommendation in this report to award the contract to Bidder A in accordance with CSO 2.01. (c) for Cabinet to approve awards of Contract valued at £500,000 or more and (CSO 0.08).

### **Finance**

- 9.17. The recent cost projection in the new build capital programme suggest that this scheme can be accommodated within the existing budget/MTFS.
- 9.18. Further finance comments are contained in the exempt report.

### **Equality**

- 9.19. The Council has a statutory duty under the Equality Act 2010 to have due regard to the need to:
- Eliminate discrimination, harassment, victimisation, and any other conduct prohibited under the Act;
  - Advance equality of opportunity between persons who share a protected characteristic and those who do not; and
  - Foster good relations between persons who share a protected characteristic and those who do not.
- 9.20. This duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The characteristic of marriage and civil partnership is relevant only to the first limb of the duty (elimination of discrimination).
- 9.21. Although not a protected characteristic under the Equality Act 2010, Haringey Council recognises socio-economic status as a local priority and considers it in its decision-making processes to promote fairness and inclusion.
- 9.22. The proposed decision relates to the procurement of a contractor to deliver the new build in Haringey.
- 9.23. Haringey is a diverse borough, with over 60% of residents identifying as Black, Asian or Minority Ethnic (BAME), which is significantly above the London average. Several areas within the borough experience high levels of deprivation, including income inequality, child poverty, and unemployment. The borough also has a higher-than-average proportion of residents reporting long-term health conditions or disabilities, and a relatively young population, with a large number of children and young adults under the age of 35.
- 9.24. The scheme will help meet identified needs within the borough for specialist housing enabling individuals to live independently and safely in the community.

9.25. The development will contribute to the Council's wider strategic objectives around housing, health, and social care integration, and will support improved outcomes for residents.

9.26. As part of the procurement process, the appointed contractor acting on behalf of the Council in delivering a public function, will be required to comply with the Public Sector Equality Duty. This includes having due regard to the three aims of the duty: eliminating discrimination, advancing equality of opportunity, and fostering good relations between different groups throughout the delivery of the contract.

## **10. Use of appendices**

Appendix 1 - Exempt part B report

Appendix 2 - Exempt site plan

Appendix 3 – Exempt tender report

## **11. Local Government (Access to Information) Act 1985**

11.1. Appendices 1, 2 and 3 are NOT FOR PUBLICATION under Schedule 12A of the Local Government Act 1972 in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) and include details that could identify an individual.