

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: LUXBOROUGH STREET DEVELOPMENT, LONDON, W1U

Notice is hereby given that Councillor Heather Acton, Councillor Paul Swaddle OBE , Cabinet Member for Communities and Regeneration, has made the following executive decision on the above mentioned subject for the reasons set out below.

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1. Recommendations

1.1. That Appendix A of the report be exempt from disclosure as it involves the disclosure of information as prescribed by paragraph 3 of Part 1 of Schedule 12a to the Local Government Act 1972, (as amended), in that they contain information relating to the financial or business affairs of any particular person (including the authority).

1.2. That the Cabinet Member approves the following:

1.2.1. The preferred way forward as set out in the Full Business Case, namely;

- A development of 14 affordable Homes for Intermediate Rent together with commercial space at the ground floor, together with Landscaping works to Luxborough Tower
- The direct development of the site by the council
- The appointment of Wates Construction Ltd (Wates) as Main Contractor to deliver the construction works

1.2.2. To approve the balance of capital expenditure totalling £10.038m required to deliver the project as set out in paragraph 9.4.

1.2.3. The execution of the Building Contract between the Council and Wates as Main Contractor to deliver the construction works as referred to in the Legal Implications in Appendix A.

1.2.4. To pay £311k into the Security for Expenses Escrow Account as required under the Party Wall Act, as referred to in Appendix A and that any draw down against this sum is allocated to central contingency

2. Reasons for the Decision

2.1. The Council is satisfied that the scheme will contribute towards meeting the City for All objectives, in particular Greener and Cleaner, Vibrant Communities and Civic Leadership and Responsibility.

- 2.2. The Council's City For All objectives set a commitment to deliver 1,850 Affordable homes by 2023.
- 2.3. The proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or any part, of their area (section 226(1)(a) and (1A), TCPA 1990).
- 2.4. The Full Business Case represents the final business case stage in the project and reconfirms that project remains the most suitable option for the Council to deliver
- 2.5. The Full Business Case has shown that there is still a strong strategic, economic, commercial, financial and management case for the project to progress to the delivery phase.
- 2.6. Wates have now completed the detailed design and a rigorous open book tendering exercise has been undertaken and overseen by the Council's appointed Cost Consultant (Aurora Cost Consultancy). Aurora have confirmed that the Contract Sum for the main works represents reasonable value for money.
- 2.7. Having previously recommended the approval of Wates for the pre-construction services agreement in October 2020 following an OJEU compliant tender process, the Commercial Gate Review Panel also recommended on 14 September 2021 the award of the main construction works contract to Wates, subject to Cabinet Member approval
- 2.8. The main construction works are scheduled to commence in October 2021

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Summary of Decision

1. Recommendations

- 1.1. That Appendix A of the report be exempt from disclosure as it involves the disclosure of information as prescribed by paragraph 3 of Part 1 of Schedule 12a to the Local Government Act 1972, (as amended), in that they contain information relating to the financial or business affairs of any particular person (including the authority).
- 1.2. That the Cabinet Member approves the following:
 - 1.2.1. The preferred way forward as set out in the Full Business Case, namely;
 - A development of 14 affordable Homes for Intermediate Rent together with commercial space at the ground floor, together with Landscaping works to Luxborough Tower

- The direct development of the site by the council
 - The appointment of Wates Construction Ltd (Wates) as Main Contractor to deliver the construction works
- 1.2.2. To approve the balance of capital expenditure totalling £10.038m required to deliver the project as set out in paragraph 9.4.
- 1.2.3. The execution of the Building Contract between the Council and Wates as Main Contractor to deliver the construction works as referred to in the Legal Implications in Appendix A.
- 1.2.4. To pay £311k into the Security for Expenses Escrow Account as required under the Party Wall Act, as referred to in Appendix A and that any draw down against this sum is allocated to central contingency

2. Reasons for the Decision

- 2.1. The Council is satisfied that the scheme will contribute towards meeting the City for All objectives, in particular Greener and Cleaner, Vibrant Communities and Civic Leadership and Responsibility.
- 2.2. The Council's City For All objectives set a commitment to deliver 1,850 Affordable homes by 2023.
- 2.3. The proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or any part, of their area (section 226(1)(a) and (1A), TCPA 1990).
- 2.4. The Full Business Case represents the final business case stage in the project and reconfirms that project remains the most suitable option for the Council to deliver
- 2.5. The Full Business Case has shown that there is still a strong strategic, economic, commercial, financial and management case for the project to progress to the delivery phase.
- 2.6. Wates have now completed the detailed design and a rigorous open book tendering exercise has been undertaken and overseen by the Council's appointed Cost Consultant (Aurora Cost Consultancy). Aurora have confirmed that the Contract Sum for the main works represents reasonable value for money.
- 2.7. Having previously recommended the approval of Wates for the pre-construction services agreement in October 2020 following an OJEU compliant tender process, the Commercial Gate Review Panel also recommended on 14

September 2021 the award of the main construction works contract to Wates,
subject to Cabinet Member approval

2.8. The main construction works are scheduled to commence in October 2021

Reasons for Decision

No decision made.

**Stuart Love, Chief Executive,
Westminster City Hall,
64 Victoria Street
LONDON SW1E 6QP**

Publication Date:

Implementation Date:

Reference: