



Notice of KEY Executive Decision containing exempt information

Notice of Key Cabinet Decision containing exempt information. This Cabinet Report contains some appendices which comprise exempt information which is not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A of the local Government Act 1972. They are exempt because they refer to confidential information and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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| Subject Heading: | To gain approval to enter into the Early Development Agreement (EDA) with Havering & Wates Regeneration LLP in relation to pre-construction services for the Development of Blocks 9 & 10 Waterloo & Queen Street, Romford. |
| Decision Maker: | Councillor Graham Williamson Cabinet Member for Development & Regeneration |
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| ELT Lead: | Neil Stubbings Strategic Director, Place |
| Report Author and contact details: | Chantal Miller Development Surveyor Email: chantal.miller2@havering.gov.uk Tel: 01708 432 346 |

Key Executive Decision – Part Exempt Report

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| Policy context: | HRA Business Plan Update 2026/27 & Capital Programme 2026/27-2030/31 Havering & Wates Regeneration LLP Business Plan & Budget Update 2026/27 |
| Financial summary: | The total estimated cost for the EDA as set out in the Exempt appendices will be met from the approved Housing Development Budget in the 2025/26 Business Plan. The agreement includes cost control mechanisms, ensuring the Key Executive Decision Council's total liability does not exceed the agreed amount unless formally increased. This stage of the project will enable the Council to finalise construction costs and risks before entering a full contract for the main works. The cost plan includes detailed market testing, risk assessments, and programme management activities to ensure budget compliance and value for money. |
| Reason decision is Key | Expenditure in excess of £500,000 |
| Date notice given of intended decision: | 24/02/2026 |
| Relevant Overview & Scrutiny Committee: | Place, Overview & Scrutiny Sub Committee |
| Is it an urgent decision? | No |
| Is this decision exempt from being called-in? | No |

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well X

Place - A great place to live, work and enjoy X

Resources - Enabling a resident-focused and resilient Council X

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Cabinet Member for Development and Regeneration is recommended to:

1. Approve the budget provision (as set out in Exempt Appendix A) to enable the Council to enter into the EDA with Havering and Wates Regeneration Joint Venture LLP (the JV LLP) so that the JV LLP can manage the delivery of the pre-construction services for Blocks 9 and 10 of the Waterloo and Queen Street development.
2. Delegate authority to the Strategic Director of Place, in consultation with the Deputy Director of Legal and Governance, to finalise the terms and authorise the execution of the EDA and any associated legal documentation.
3. Note that a further Key Executive Decision will be required at the conclusion of the EDA phase to approve the final Cost Plan and the award of the main JCT Design and Build construction contract.

AUTHORITY UNDER WHICH DECISION IS MADE

Council Constitution – Part 3.2 Executive Functions 3.

The following Functions may be delegated to individual Cabinet members by the Leader.

3.3 To approve the commencement of the tender process, to award contracts, agree extensions of contract terms where the value of such matter is between £1,000,000 and £5,000,000 subject to consultation with the Strategic Director of Resources.

STATEMENT OF THE REASONS FOR THE DECISION

The Waterloo and Queen Street site is a key project within the Council's "12 Estates" and is being brought forward through the Havering and Wates Regeneration Joint Venture LLP (JV LLP). Blocks 9 and 10 are intended to deliver 107 affordable homes and a community centre.

Following the re-phasing of the masterplan to accommodate new fire safety regulations (the second staircase rule), the Council has prioritised Blocks 9 and 10 as these blocks are under 18 metres in height.

Entering into the EDA is the mechanism by which the Council will instruct the JV LLP to manage the delivery of the pre-construction services and pay for those services.

The EDA has an agreed form of PCSA attached which is to be entered into by the JV LLP and Wates Construction Limited. The JV LLP is required to procure the delivery of

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the Services in compliance with that PCSA. A PCSA is a standard industry approach for complex regeneration schemes. The key deliverables under the PCSA (and therefore under the EDA) will include:

- Completion of RIBA Stage 4 (Technical Design), including full coordination with statutory bodies and design freeze.
- Market testing of Stage 3 design to achieve cost certainty and align with the scheme budget.
- Finalisation of the RIBA Stage 4 Report, including cost plan, risk register, and programme sequencing.
- Preparation of construction logistics and mobilisation plans ahead of the main works contract.

The PCSA will be structured using the JCT PCSA 2024 form, incorporating cost control mechanisms, termination provisions, and oversight through the JV governance framework. This approach ensures transparency and safeguards value for money.

The decision supports the Council's commitment to delivering high-quality, energy-efficient housing. Planning approval for these blocks was secured in February 2026, and entering the PCSA now is critical to maintaining momentum and meeting delivery targets for late 2028.

OTHER OPTIONS CONSIDERED AND REJECTED

- 1 Do Nothing: This would halt the delivery of 107 affordable homes and jeopardise the wider Waterloo and Queen Street regeneration. It would lead to significant delays and potential loss of grant funding. Rejected.
- 2 Single Stage Tender: Attempting to tender the main works without a PCSA would lead to a higher risk premium being added due to design uncertainty, resulting in lower Value for Money. Rejected.
- 3 Re-procure through an alternative route. This approach would disrupt the agreed JV delivery model and delay progression. The JV LLP offers an efficient and compliant route, with aligned governance and assurance mechanisms in place.

PRE-DECISION CONSULTATION

None.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Chantal Miller

Designation: Development Surveyor

Signature: *Chantal Miller*

Date:02-04-26

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to award the contract under s111 of the Local Government Act 1972, which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers.

None of the constraints on the Council's Section 1 power are engaged by this decision. The Council entered into a Joint Venture with Wates Construction Limited in accordance with the Public Contracts Regulations 2015 (PCR 2015), so the PCR is still relevant in this instance. The Members Agreement (MA) requires sub-contracts to be procured, where relevant, in accordance with the procurement regulations. For the purpose of those regulations, this is a sub-threshold contract for works, and on that basis, the full implications of the PCR are not engaged.

As mentioned above, the Council has authority to enter into the EDA under Part 3 of the Constitution.

In light of the above, the Council may enter into the EDA which is the mechanism by which the Council will instruct the JV LLP to manage the delivery of the pre-construction services and pay for those services.

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FINANCIAL IMPLICATIONS AND RISKS

The PCSA costs (detailed in Exempt Appendix A) are included within the 12 Estates Business Plan approved by Cabinet in February 2025/26. The PCSA stage acts as a gateway – the Council is not committed to the full construction cost until a further decision is made following the conclusion of these services.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not appear to give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

There are no implications from this decision.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

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- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- Foster good relations between those who have protected characteristics and those who do not. Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

There are no significant health and wellbeing risks directly arising from the proposal laid out in the report, and health and wellbeing benefits for residents will be realised when the blocks are complete and ready for occupation.

Once complete, the redevelopment of Blocks 9 and 10 will have a broadly positive impact on the health and wellbeing, through the provision of housing of improved quality, safety and efficiency. Provision of a new community space and accessible public spaces will also deliver wellbeing benefits associated with social interaction and participation in the local area.

Any residual negative impacts, such as temporary construction noise or disruption, can be mitigated through established construction management plans, community engagement, and adherence to environmental health standards.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The proposed development will be new build with energy efficient materials that are resilient to climate change. The scheme has been informed by robust sustainability and overheating assessments to help meet the challenges of climate change. Measures such as the utilisation of Air Source Heat Pumps, Green Roofs, Sustainable Urban Drainage systems, additional urban greening and landscaping help ensure the scheme well considers the environment and climate change implications.

BACKGROUND PAPERS

Business Plan 2026/27.

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APPENDICES

Exempt Appendix A – Financial Implications

Exempt Appendix B – PCSA Offer

Exempt Appendix C - Value for Money Report produced by Ikon

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____