

DD DECISION – DD 14

Title: Annual Accounts Investment Property Valuation

Executive summary

OPDC proposes to appoint a property valuation consultancy to undertake annual valuations of its investment properties at each financial year end. As a significant landowner and a steward of the local area, this information is both a regulatory recommendation and very important to better understand and deliver on OPDC's regeneration objectives.

A joint procurement exercise is being undertaken along with the Greater London Authority and London Legacy Development Corporation, in order to procure the best value joint valuation for a three-year period, covering years ending 31 March 2026 to 31 March 2028, with the option to extend for a further two years.

Decision

That the Executive Director of Corporate Operations and Chief Finance Officer approves:

- i. Expenditure of £225,000 on consultancy services to deliver year-end valuations for accounts purposes of OPDC group's investment properties for the years ending 31 March 2026 to 2028, with the option of extending for a further two years.

Executive Director

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and has my approval.

Signature:



Date: 19 December 2025

PART 1: NON-CONFIDENTIAL FACTS AND ADVICE

1. Background and context

- 1.1 OPDC owns a large number of investment properties, both directly owned by OPDC and through its subsidiaries. These assets are a mixture of commercial, light industrial, leisure and vacant properties with an aggregate purchase value of over £200m. These are classified in the accounts as investment properties, and the accounting regulations (specifically IPSAS 16 Investment Property and IAS 40 Investment Property), state:
- “An entity is encouraged, but not required, to determine the fair value of investment property on the basis of a valuation by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.”
- 1.2 Although year-end valuations are not mandatory, they represent best practice and provide assurance over asset values. Regular valuations will also enable OPDC to strengthen its financial reporting, improve risk management, and support informed decision-making on future investment and regeneration opportunities.

2. The proposal and how it will be delivered

- 2.1 A year-end valuation of investment properties for accounting purposes is a standard piece of work that can be carried out by a large number of companies that have suitably qualified RICS (Royal Institute of Chartered Surveyors) staff.
- 2.2 OPDC will appoint a supplier with suitable relevant experience to carry out the valuations and engage with them throughout the process to ensure it runs smoothly.
- 2.3 The appointment will be made through a competitive procurement exercise, conducted jointly with the GLA and LLDC, in accordance with OPDC’s Contracts and Funding Code and relevant procurement guidance for contracts exceeding £25,000.
- 2.4 The procurement exercise will cover an initial three-year period, with the option to extend for a further two years.
- 2.5 As this is OPDC’s first joint procurement exercise, the process will be designed to allow flexibility, either to appoint the joint supplier or, if necessary, to undertake a separate procurement for OPDC. However, this would only be done in exceptional circumstances, for example if the joint procurement was not satisfactory or was much more costly than a separate procurement. OPDC had input into the joint exercise throughout the process, including scoping the requirements and being on the panel to assess the bids.

3. Objectives and expected outcomes

- 3.1 The appointed supplier will provide a valuation report which values all the investment properties held in the OPDC group for the years ending 31 March

2026-28, with the option to appoint them for a further two years up to 31 March 2030.

4. Strategic fit

- 4.1 This proposal is an important part of the stewardship of OPDC's land and property assets. As the custodian of a major regeneration area and being a large landowner. OPDC must maintain an accurate understanding of asset values to inform decision-making.
- 4.2 Regular valuations will support effective asset management in the short term and underpin the delivery of long-term regeneration objectives.
- 4.3 Furthermore, although not a requirement for the year end accounts, it is best practice to have a valuation of investment properties at each year end.

5. Project governance and assurance

- 5.1 As part of the procurement exercise with the GLA and TfL, OPDC have agreed clear timetables and deliverables for the project. These will be further discussed and finalised at an initial meeting in January 2026. The reports provided by the valuer will undergo internal OPDC review by the finance and delivery teams, and will also be subject to review by Ernst & Young as part of the audit process.
- 5.2 The Project Lead will be the Senior Finance Business Partner and the Senior Responsible Officer will be the Head of Finance.
- 5.3 A separate budget will have to be agreed each year as OPDC continues to acquire new properties. The project will be monitored against budget each year.

6. Risk, Issues and Opportunities

- 6.1 If OPDC did not proceed with the joint procurement there would be a low risk of delay or higher costs given the experience from prior years.
- 6.2 The work presents the Corporation with the opportunity to obtain a clear assessment of our asset portfolio to date which will inform much of the work we do next financial year in relation to investment and asset management.
- 6.3 The joint procurement exercise should enable the group reporting to GLA to be more streamlined, with all valuations carried out by the same supplier.

7. Equity, Diversity and Inclusion Comments

- 7.1 Under Section 149 of the Equality Act 2010, as a public authority, OPDC must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to the need to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 7.2 The protected characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and

marriage/ civil partnership status. Fulfilling this duty involves having due regard to: the need to remove or minimise any disadvantage suffered by those who share a protected characteristic or one that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low. Compliance with the Equality Act may involve treating people with a protected characteristic more favourably than those without the characteristic. The duty must be exercised with an open mind and at the time a Decision is taken in the exercise of the OPDC's functions.

8. Social Value

- 8.1 Understanding the true value of our properties is integral to long-term investment considerations as we prepare to engage the market for partners to bring forward the Old Oak scheme. This will act as one of many steps that enables us to effectively ascertain our capacity to deliver inclusive and sustainable development.

9. Other considerations

- 9.1 There are no other considerations that need to be considered in the taking of this decision.

10. Conflicts of interest

- 10.1 No one involved in the preparation or clearance of this decision form, or its substantive proposal, has any conflict of interest. During the procurement exercise it was confirmed that there were no conflicts of interest.

11. Financial comments

- 11.1 As noted above, the year-end valuation of investment properties is an important part of the process in preparing OPDC's financial accounts.
- 11.2 The joint procurement exercise should produce the best value across the GLA group and enable a smoother year-end audit process with similar reporting issued by the supplier.
- 11.3 The proposed cost of £225,000 is based on the prior year valuation, adjusted for anticipated property acquisitions during the current financial year, and includes a 20% contingency to cover potential additional assets over the next few years.
- 11.4 Expenditure of £225,000 will be met from the Corporate Operations budgets for the financial years 2025/26, 2026/27 and 2027/28, representing approximately £75,000 in each financial year inclusive of the contingency proportion.

12. Legal comments

- 12.1 The foregoing sections of this report indicate that the decisions requested of the Executive Director concern the exercise of the OPDC's general powers, falling within its statutory powers to do such things considered to further or which are

facilitative of, conducive or incidental to the promotion of economic development and wealth creation and/or social development in Greater London. In formulating the proposals in respect of which a decision is sought, officers have complied with the OPDC's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people;
- consider how the proposals will promote the improvement of health of persons, health inequalities between persons and contribute towards the achievement of sustainable development in the United Kingdom; and
- consult with appropriate bodies.

- 12.2 In taking the decisions requested, the Executive Director must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act, advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and foster good relations between such persons. To this end, the Executive Director should have particular regard to section 3 of this report.
- 12.3 Officers must ensure that the procurement of the valuation services is undertaken in accordance with the OPDC's Contracts and Funding Code. Officers must liaise with TfL Commercial to determine the procurement strategy and ensure that appropriate contractual documentation is put in place and executed by the chosen service provider and OPDC before commencement of services.

13. Summary timeline

Activity	Date
Carry out procurement exercise	October & November 2025
Procurement of contract / Grant award	15 December 2025
Initial meeting	By mid January 2026
Delivery start date	Mid January 2026
Valuations carried out	February 2026
Draft report	28 February 2026
Review and discussion	March 2026
Final report submitted	11 April 2026
Evaluation period and responses to audit queries	April – June 2026
Further valuations at year ends 31 March	2027-28, or 2030 if extension awarded
Project closure	30 June 2028, or 2030

Appendices

- None

Other supporting papers

- None

PUBLIC ACCESS TO INFORMATION

Information in this Form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA). OPDC aims to publish the Form within three working day of approval.

If immediate publication risks compromising the implementation of the Decision (for example, impacting a procurement process), it can be deferred until a specific date (when it will be published). Deferral periods are kept to the shortest length strictly necessary.

Part 1 – Deferral

Publication of this Part 1 is to be deferred: **Yes**

The deferral is until: **31 December 2025**

This is because: **This is subject to an ongoing procurement process, which should be concluded by mid December.**

Part 2 – Confidential information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in or attached to any separate Part 2 Form, together with the rationale for withholding the information at this time.

There is a separate and confidential Part 2 Form: **No**

DECLARATIONS

Drafting officer: Richard Taylor has drafted this Form in accordance with OPDC procedures, including for handling conflicts of interests, and confirm that:

Advice: The Governance, Finance and Legal teams have commented on the proposal.

CONFIRMATIONS

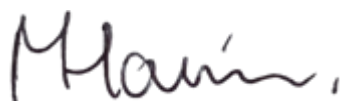
Section 106 funding: n/a

Review: This Decision was circulated for **Senior Review** on Thursday 10 December 2025.

Chief Finance Officer

Financial and legal implications have been appropriately considered in the preparation of this Form.

Signature:



on behalf of Gurdip Juty

Date: 19/12/25

