

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

**Reference Number:**

**4633**

**Author:**

**Beverley Gouveia**

**Department:**

**Growth and City Development**

**Contact:**

**Beverley Gouveia**

**(Job Title: Estates Surveyor, Email: [beverley.gouveia@nottinghamcity.gov.uk](mailto:beverley.gouveia@nottinghamcity.gov.uk), Phone: 01158762381)**

**Subject:**

**Procurement and Appointment of a Right to Buy/Beacon Stock Valuer**

**Total Value:**

**Exempt (Type: Revenue)**

**Decision Being Taken:**

**To approve the procurement of a commercial valuer to undertake Right to Buy and Beacon Stock valuations on behalf of the Council.**

**To delegate authority to the Director of Economic Development & Property to negotiate and award the contract to the successful commercial valuer following the competitive procurement procedure..**

**Reasons for the Decision(s)** The Council has a statutory obligation to consider applications to purchase Council housing made under the Right to Buy Scheme. A secure tenant of a Council residential property that uses the property as their main home and has a total of at least 3 years public sector tenancy in either Council or Housing Association property can make an application to purchase the home at a discounted price. The amount of discount is based on the type of property and the length of the tenancy. As part of the decision process the property is inspected and valued by an independent Registered Valuer. The independent valuation forms the basis of the offer letter which is provided to the applicant. All costs associated with the valuations are covered by the application fee.

The Council receives circa 800 applications a year to purchase housing under the Right to Buy Scheme and these are valuations which cannot be resourced internally.

Up until December 2021 the valuations were completed by an external provider, they have now closed their business with effect from the 31st December 2021. An alternative provider has been found to temporarily undertake the Council's valuation whilst the instruction is re-tendered.

The Council also required annual Beacon Stock valuations to meet its annual statutory asset valuation requirements. To obtain economies of scale a tender exercise covering both Beacon Stock and Right To Buy valuations is recommended.

The appointment of a Right To Buy Valuer is to be with immediate effect following the procurement. The appointment of a Beacon Valuer would be for the 2022/23 financial accounts and 4 subsequent years.

**Other Options Considered:** Not to outsource - this option has been rejected as the Council does not have the in-house capacity to undertake these valuations.

**Background Papers:** None

**Published Works:** None

**Affected Wards:** Citywide

**Colleague / Councillor Interests:** None

**Any Information Exempt from publication:** Yes

**Exempt Information:**

Description of what is exempt:

The procurement brief.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the tender is yet to be completed and publishing the brief outside of this process could put the Council at a commercial disadvantage or give some parties an unfair advantage.

Documents exempt from publication:

2022.02.24 Procurement Brief for RtB and Beacon Valuations NEW.docx

Use of Consultants

Number of Days:1825

Rate per Day:274

Total value:500000

Start date:01/04/2022

End date:31/03/2027

Reason for using a consultant:

The Council does not have appropriate in house resource to complete the work. The Right to Buy valuations have been outsourced for over 10 years.

Other options considered:

To complete the work in house - this option has been rejected as the Council does not have the resource to complete the work in the statutory deadlines.

Name of consultant:

To be tendered

Reason for selection?

Selection will be based on the tender process.

Has the consultant previously completed work for the City Council?

Unknown

Specific activities to be undertaken by the consultant are:

See brief in exempt appendix.

Period of engagement:

5 years with options to terminate.

By what process was the consultant selected?

Valuers will be invited to submit tenders through the Council's Procurement Process.

Consultations:

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

**There are no crime and disorder implications associated with this decision.**

**Equality:**

**EIA not required. Reasons: An EIA is not required as the decision does not affect Council policy or services.**

**Social Value Considerations:**

**There are no social value considerations associated with this decision.**

**Relates to staffing:**

**Yes**

**Relates to Council Property Assets:**

**Yes**

**Decision Type:**

**Portfolio Holder**

**Subject to Call In:**

**Yes**

**Call In Expiry date:**

**26/05/2022**

**Advice Sought:**

**Legal, Finance, Procurement, Human Resources, Property**

**Legal Advice:**

**The proposals in this report raise no significant legal issues and are supported.**

**Undertaking a tender process for the services will ensure compliance with the Council's Contract Procedure Rules and will enable to Council to test the market and ensure value for money for these Services.**

**Advice provided by Dionne Claire Screatton (Solicitor) on 10/03/2022.**

**Finance Advice:**

**This report is in relation to the Housing Revenue Account (HRA) as it is specific to the Councils housing stock.**

**As detailed in the report Right to Buy (RtB) valuations are covered by the application fee so this element of the contract is not anticipated to be a cost to HRA.**

**The Beacon valuations are required as part of the HRA annual statutory accounts, the charge for this service is a legitimate charge to the HRA revenue account. Technical Finance are required to be kept informed of the anticipated charge to ensure that it is budgeted accordingly.**

**Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 12/04/2022.**

**Property Advice:**

**This appointment of specialist registered valuers to undertake inspections and valuations in connection with right to buy applications is required as we can't provide this service by internal resources. In addition to appoint the same specialist to undertake annual Beacon stock Valuations is supported. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 24/02/2022.**

**Procurement Advice:**

**There are no procurement concerns with the decision being sought. The Procurement Team will work with the client to ensure the appointment is made in accordance with Contract Procedure Rules and the Public Contracts Regulations. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 11/03/2022.**

**HR Advice:**

**As outlined, the proposal seeks authorisation to appoint specialist commercial valuers on a consultancy basis to undertake Right to Buy and Beacon valuations, both of which I understand are statutory functions of the Council. This service has not been carried out in-house for approximately 10-years and was previously provided by an external consultancy firm which has now ceased trading.**

**The knowledge, expertise and capacity to carry out this specialist commercial valuation work is not currently available in the existing team or within the Council.**

**A tendering exercise, following the Council's procurement process, to appoint a new consultancy firm to carry out this work will be undertaken.**

**Management should consider the current budget controls and recruitment freeze that is in place. Advice provided by Sheena Yadav-Staples (HR Consultant) on 03/03/2022.**

**Signatures:**

<b>David Mellen (Leader/ PH Strategic Regeneration Communications)</b>
<b>SIGNED and Dated: 19/05/2022</b>
<b>David Mellen (Leader/ PH Strategic Regeneration Communications)</b>
<b>SIGNED and Dated 19/05/2022</b>
<b>Sajeeda Rose (Corporate Director of Growth &amp; City Development)</b>
<b>SIGNED and Dated: 12/05/2022</b>