

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 4637 |
| Author: | Steve Sprason |
| Department: | Growth and City Development |
| Contact: | Steve Sprason (Job Title: Interim Head of Property, Email: steve.sprason@nottinghamcity.gov.uk, Phone: 07929 726438) |
| Subject: | Continuation of Capacity to 1) Support Asset Rationalisation and Disposal and 2) Management of the Sneinton Market premises |
| Total Value: | £230,000 (Type: Revenue) |
| Decision Being Taken: | 1) To agree to the continuation of the engagement of 4 interim Disposal Surveyors to undertake asset review and disposal work to 31st December 2022.2) To agree to the continuation of the engagement of an Estates Surveyor role to support the management of the Sneinton Market facilities to 31st December 2022. 3) To approve the budgets associated with the proposed amendments |
| Reasons for the Decision(s) | Approval (Delegated Decision 4204) was given in May 2021 to recruit 2 interim disposals surveyors, with an approval (Delegated Decision 4523) to recruit a further 2 for a period of 6 months being given in February 2022. Approval (Delegated Decision 4374) was given in September 2021 to recruit an interim Estates officer resource to support the management of the Sneinton Market.1) Disposals Surveyors-it has previously been identified in the Council's Recovery and Improvement Plan that the review and disposal of assets is a key priority to secure the Council's future financial position. Additional resource has previously been approved to facilitate this work. Good progress continues to be made with the 21/22 capital receipt target being exceeded and a structured review of the commercial portfolio commencing. The retention of the resource in the short term is required to maintain this momentum and to assist in ensuring a sustainable pipeline of capital receipts for future years. The resource is required pending the putting in place of a new Property Structure and the recruitment of permanent staff in due course. Good progress is being made in that respect as part of the Transformation project to introduce a Corporate Landlord model of operation. 2) Estates Surveyor- Sneinton Market-Due to legacy decisions to reduce the property management capacity there was no longer capacity to provide effective and efficient management of the Asset. Since the introduction of the resource there has been significant improvement in terms of tenant relationships, the letting of voids and the regularisation of occupations. Pending the introduction of the new structure for Property this interim resource is needed to be retained so that the good progress made is not lost and the asset continues to be managed effectively and appropriately |

Other Options Considered:

Disposals Surveyors1) all interim roles are currently filled and the only realistic and pragmatic option is to extend those existing arrangements pending the restructure of Property and the recruitment of permanent staff. 2) internal recruitment-this option was rejected due to the need for qualified surveyors and this additional capacity is not available internally to the council.Estates Surveyor1) to use internal resources-this option was rejected as there is not sufficient capacity to undertake this role2) the role is filled with an existing interim who is familiar with the assets and has established good relationships with occupiers. The pragmatic solution is to extend the existing arrangement.

Background Papers:

N/A

Published Works:

Delegated Decision 4204-increasing capacity to support asset rationalisation dated 05/05/21 Delegated Decision 4523-increasing capacity to support asset rationalisation and disposal dated 04/02/22 Delegated Decision 4374-sneinton market, increasing capacity to support management of the asset dated 17/09/21

Affected Wards:

Citywide

Colleague / Councillor Interests:

N/A

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

information in relation tto the day rates payable to individual agency staff

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 information relates to the financial affairs of the council. It is not in the public interest to disclose this information because it would influence future contract negotiations

Documents exempt from publication:

EXEMPT APPENDIX continuation of capacity DDM 180522.docx

Use of Consultants

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| Number of Days:640 |
| Rate per Day:Exempt |
| Total value: £230000 |
| Start date:01/04/2022 |
| End date:31/12/2022 |

Reason for using a consultant:

Details of role day rates are as set out in the exempt appendixIn order to maintain progress on asset review and the disposals pipeline work, and to maintain effective management of the Sneinton market premises a continuation of the existing arrangements is required. There is no alternative internal capacity .

Other options considered:

no other options have been considered at the present time

Name of consultant:

various recruitment agencies

Reason for selection?

the agencies are able to provide suitably qualified and experienced individuals and provide the existing interim staff

Has the consultant previously completed work for the City Council?

yes, the agencies are used on a regular basis

Specific activities to be undertaken by the consultant are:

asset review and disposal, property management

Period of engagement:

to 31st December 2022

By what process was the consultant selected?

use of approved Frameworks

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

there are no implications arising out of this report

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| Equality: | EIA not required. Reasons: there are no equality issues arising out of this report |
| Social Value Considerations: | N/A |
| Relates to staffing: | Yes |
| Relates to Council Property Assets: | Yes |
| Decision Type: | Portfolio Holder |
| Subject to Call In: | Yes |
| Call In Expiry date: | 06/06/2022 |
| Advice Sought: | Legal, Finance, Procurement, Human Resources, Property |
| Legal Advice: | <p>The proposals in this report raise no significant legal issues.</p> <p>It is understood that the proposal is procure the additional support required under established framework agreements. This will ensure a compliant route to market as well as offering best value to the Council. The appropriate process under the framework will need to be followed to secure the services and implementation of al necessary contractual arrangements.</p> <p>The requirement for these additional services is intended to be for an interim period whilst the property structure review is completed. The redesign will offer a long term arrangement capturing such recourses to the extent they are required. Advice provided by Dionne Claire Screamon (Solicitor) on 05/05/2022.</p> |

Finance Advice:

The extension of these 5 posts is supported. There continue to be a number of vacancies within Property pending the agreement and introduction of a new structure. The costs will therefore be met through vacancy savings. Should vacancy savings be insufficient to support the full cost, any gap for the disposal surveyors will be funded via increased fee income from asset disposals. The budget for fee income was exceeded for the last two years, and is forecast to be exceeded again in 2022/23.

Should vacancy savings and fee income be insufficient to meet the full cost, any residue will be managed by Property within their existing budget resource. The risk of this is however considered low due to the level of fee income forecast this year.

The Estates Surveyor post will be met from within the Sneinton Market budget.

Salary costs and budget are required to be closely monitored and forecast on a monthly basis to ensure that costs are contained within the resources identified above. Advice provided by Sarah Baker (Commercial Business Partner - Projects) on 13/05/2022.

Procurement Advice:

The proposal involves using an ESPO framework. The framework has specific call-off terms for awarding contracts. Provided the framework process is followed, the award of contract would be compliant with procurement law and therefore there would be no significant Procurement concerns. Advice provided by Paul Ritchie (Procurement Manager) on 05/05/2022.

Property Advice:

This proposal will ensure that there is increased capacity to enable the service to continue to deliver against priorities, until more permanent solutions have been implemented. Advice provided by Nicki Jenkins as Property Adviser (Head of Economic Development) on 17/05/2022.

HR Advice:

The proposal extends existing interim resourcing arrangements, pending a review of the Property Division and its structures. The extension date will allow for the organisational redesign project to conclude, due to commence in June, and for longer term resourcing decisions to be taken. Advice provided by Paul Slater (HR Business Lead) on 22/04/2022.

Signatures:

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| David Mellen (Leader/ PH Strategic Regeneration Communications) |
| SIGNED and Dated: 26/05/2022 |
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| Sajeeda Rose (Corporate Director of Growth & City Development) |
| SIGNED and Dated: 23/05/2022 |