

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2124
Author:	Peter Taylor
Department:	Development
Contact:	Peter Taylor (Job Title: Senior Surveyor, Email: peter.taylor2@nottinghamcity.gov.uk, Phone: 8763017)
Subject:	Appointment of Specialist Rating Surveyors to undertake the 2010 Rating List Appeals and Rate Audit work when instructed
Total Value:	£75,000-£100,000(Estimated) payments made from savings only as and when they arise. (Type: Revenue)
Decision Being Taken:	1)To approve the commencement of the procurement for the engagement of a consultant to deliver the Rating Appeals in connection with the 2010 Rating list with the Valuation office of circa 313 properties and Business Rate Audit work on individual properties when instructed. 2)To delegate to the Director of Strategic Asset and Property Management the approval to award the contract in accordance with the award criteria set out in the Procurement documentation.
Reasons for the Decision(s)	The 2010 valuation list needs to be checked and appealed if property assessments are excessive and incorrect. This specialist expertise and resource is not available internally and as the costs are on a no win no fee basis and a share of any savings in the reduction in rateable Value, it is believed that this represents value for money as demonstrated by previous successful rating appeals undertaken by Specialist Rating Surveyors appointed for the previous rating lists and having regard to the diverse portfolio of local authority property assets. Business Rate Audit work is a specialist area requiring individual software to investigate if there have been any historical over payments paid by the Authority, particularly in respect of calculating transitional relief certification and other rate payment exemptions.

Other Options Considered:

If this work is undertaken in house it will involve at least one Surveyor being involved with the work for a substantial period. The expertise is not available internally to represent the Council at any Rating Tribunal and additional consultants would still be required. As the cost is related to a share of savings achieved from the rateable value reduction, it is felt that any saving in consultancy fees would ultimately result in a lower success rate in appeals and would be a false economy. This option was rejected.

The Business Rate Audit work requires specialist software to integrate historical billing and correct dates for application of reliefs, to do this in house would be very difficult and time consuming. This option was rejected.

Background Papers:

None

Published Works:

None

Affected Wards:

Citywide

**Colleague / Councillor
Interests:**

Use of Consultants

Number of Days:730

Rate per Day:137

Total value:100000

Start date:01/08/2015

End date:01/08/2017

**Reason for using a
consultant:**

The specialist rating valuation knowledge over our varied property assets, including representing the authority at Valuation Tribunal, does not exist in house. This work would involve at least one Surveyor being primarily involved, for several months, being taken away from important day to day Asset Management and Regeneration work. Due to the high work load it is considered to be cost effective to appoint an external specialist to undertake this work.

The total value is an estimate and depends on how successful the consultant is and the work will be completed when all 313 appeals have been agreed and the business rate Audit work is only in connection with the historic and 2010 list and this work will be re-tendered for the proposed 2017 Rating Revaluation List. A consultant employed on a no win no fee basis can make greater savings than undertaking this work in house due to the specialist nature of the valuation work.

Other options considered:

To undertake the work in house.

This was rejected as counterproductive due to being specialist knowledge and time consuming work which will be on a no win no fee basis and the costs will be on a share of actual Rateable Value reduction basis only and the fee will never be greater than any savings achieved even having regards to transitional relief, where changes to Rateable Values are phased in over 5 years.

Name of consultant:

To be confirmed

Reason for selection?	To be confirmed
Has the consultant previously completed work for the City Council?	To be confirmed
Specific activities to be undertaken by the consultant are:	Negotiation with the Valuation Office of approximately 313 Rating Appeals already submitted in connection with the the 2010 revaluation list over the varied asset type of our Operational portfolio including appearing at Rating valuation Tribunal if required.
Period of engagement:	there is no specific time period for this project and it will be completed when all 350 Appeals are agreed or withdrawn.
By what process was the consultant selected?	Invitation to tender for a period of 40 days via the Council's e-tendering portal(Due North) and then scored on a quality and quantity cost basis. Costs noted above are an estimate at this stage.

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: There are no crime or disorder implications included in this decision.

Equality: EIA not required. Reasons: This is not a new or changing policy, service or function.The decision adheres to all Council equality policies.

Social Value Considerations: The likely value of the decision is less than the E.U threshold

Decision Type: Portfolio Holder

Subject to Call In: No
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Councillor Parbutt
Consultation Date: 31/07/2015
In order to meet procurement deadlines to give Consultants a reasonable period of time to submit tenders, the Contract needs to be made live by the 7th of August at the latest for the proposed closing date of the 7th September.This window has regards to the need to let the contract to protect the Council's position for Rating Appeals which could be listed at valuation Tribunal at anytime without rating Specialists appointed.

Advice Sought: Legal, Finance, Procurement, Human Resources

Legal Advice: The proposals set out in the report raise no significant legal issues and in the circumstances outlined are supported. Advice provided by Malcolm Townroe (Legal Services Manager) on 10/07/2015.

Finance Advice: The work to be undertaken by consultants will be in relation to approx 350 appeals to be carried out over a substantial period (1-2 years). Payments will be made on an individual basis and will only be payable if a successful reduction in the valuation has been achieved. The cost will be met from the saving made upon the revaluation. Advice provided by Georgina Lewis (Finance Analyst) on 01/07/2015.

Procurement Advice: There are no significant concerns with the recommendations set out in the report. The procurement team will carry out a formal tender on behalf of the client, in accordance with Contract Procedure Rules. Advice provided by Sue Oliver (Category Manager - Procurement) on 29/06/2015.

HR Advice: There is no capacity to undertake the work within existing resources. This is a cost effective model as payments will only be made if a reduction is achieved. This could not be achieved if we employed an individual directly as we would have to pay them whether savings were made or not.
Given the length of time and specialism needed it will likely be more cost effective to undertake this method than employing someone on a fixed term basis. Advice provided by Hannah Gemmill (HR Business Partner) on 08/07/2015.

Signatures: Jon Collins (Leader of the Council)
SIGNED and Dated: 10/08/2015
Graham Chapman (PH for Resources and Neighbourhood Regeneration)
SIGNED and Dated: 05/08/2015
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 05/08/2015