

TITLE OF REPORT: **Approval of Property Transactions, Tenders, Schemes and Estimates during the Summer Recess**

REPORT OF: **Mike Barker, Strategic Director, Corporate Services & Governance**
 Paul Dowling, Strategic Director, Communities & Environment

Purpose of the Report

1. This report seeks Cabinet approval for:
 - a) the Strategic Director, Corporate Services & Governance and the Service Director, Legal, Democratic and Property Services, following consultation with the Strategic Director, Corporate Resources to be authorised to approve transactions in respect of land and property, during the summer recess;
 - b) the Strategic Director, Communities and Environment and the Service Director, Council Housing, Design and Technical Services, following consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, to be authorised to jointly approve schemes and estimates, and to invite and accept tenders over certain thresholds, during the summer recess; and
 - c) the Strategic Director, Communities and Environment, following consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, to be authorised to approve the acceptance of a tender for the supply installation and maintenance of bus lane enforcement cameras and associated review and notice processing services , during the summer recess.

Background

2. The absence of Cabinet meetings during the summer recess could have a detrimental effect on the delivery of the capital programme, achievement of capital receipts, rental income from the sale/letting of properties due to the inability to secure approval to such transactions and could delay progress with the bus lane enforcement scheme.

Proposal

Property Transactions

3. In order to avoid any delays in progressing property transactions, it is proposed that the Strategic Director, Corporate Services & Governance and the Service Director, Legal, Democratic and Property Services, following consultation with the Strategic Director, Corporate Resources, are authorised to approve transactions in respect of land and property, during the summer recess.

Schemes, Estimates and Tenders

4. In order to avoid any delays in progressing capital building projects it is proposed that the Strategic Director, Communities and Environment and the Service Director, Council Housing, Design and Technical Services, in consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, are jointly authorised to:
 - (a) approve schemes and estimates for any works contract;
 - (b) invite tenders for any works contract; and
 - (c) accept tenders, place orders for works, supplies and services up to a value equivalent to the tendering thresholds specified in the European Procurement Directives during the summer recess.

Tender for the supply installation and maintenance of bus lane enforcement cameras and associated review and notice processing services

5. A tender process for the supply, installation and maintenance of bus lane enforcement cameras and associated review and notice processing services has commenced, however the tenders have not yet been fully evaluated. In order to avoid any delays in progressing this scheme, it is proposed that the Strategic Director, Communities and Environment following consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, be authorised to approve the acceptance of this tender during the summer recess.
6. The Leader and/or appropriate Cabinet member will be consulted on proposed delegated decisions taken if possible.
4. The necessary procedures will be followed if key decisions are being made, as set out in the Council's Constitution.
5. Any actions taken under the special delegations authorised by this report will be recorded and reported to the next meeting of the Cabinet after the recess.

Recommendations

6. Cabinet is recommended to:
 - (i) authorise the Strategic Director, Corporate Services & Governance and/or the Service Director, Legal, Democratic and Property Services, following consultation with the Strategic Director, Corporate Resources, to approve transactions in respect of land and property during the summer recess.
 - (ii) authorise the Strategic Director, Communities and Environment and the Service Director, Council Housing, Design and Technical Services, in consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, to jointly:
 - (a) approve schemes and estimates for any works contract;
 - (b) invite tenders for any works contract; and
 - (c) accept tenders, place orders for works, supplies and services up to a value equivalent to the tendering thresholds specified in the European Procurement Directives during the summer recess; and

- (iii) authorise the Strategic Director, Communities and Environment, following consultation with the Strategic Directors, Corporate Resources and Corporate Services and Governance, to approve the acceptance of the tender for the supply installation and maintenance of bus lane enforcement cameras and associated review and notice processing services during the summer recess.

For the following reasons:

- The achievement of capital receipts and rental income from the sale/letting of properties are dependent upon the individual transactions progressing without delay.
- To enable projects to progress and to avoid delay in delivery of the capital programme and its related expenditure.
- To enable the project to progress and to ensure that bus lanes are properly used and that benefits can be maximised without undue delay.

CONTACT: **Steve Hayles** extension: 3466
 Peter Udall extension: 2901
 Andrea Tickner extension: 5995

APPENDIX 1

Policy Context

1. The proposals are consistent with the overall vision for Gateshead as set out in Vision 2030 and the Council Plan. In particular creating the conditions for economic growth and improving health and wellbeing.
2. The proposals will also accord with the provisions of the update of the Corporate Asset Strategy and Management Plan 2015 – 2020.
3. The delivery of the capital programme is a fundamental element in the achievement of the Council's policy objectives.
4. A framework contract for the supply, installation and maintenance of bus lane enforcement cameras and associated review and notice processing service has been tendered in accordance with the Council's consolidated Procurement Policy.

Background

Property Transactions

3. The Council's Constitution, Schedule 5 - Executive Functions Delegated to Managers Part 1 – Delegations to Individual Managers –Service Director Legal, Democratic and Property Services only delegates power to the Service Director, Legal, Democratic and Property Services to agree property transactions which do not exceed £100,000 or £250,000 in consultation with the Strategic Director, Corporate Resources. In addition he can only approve the granting of tenancies not exceeding 25 years or with a rent which does not exceed £75,000 per annum. Any transaction which exceeds these limits requires Cabinet approval.
4. The absence of Cabinet meetings during the summer recess could mean a delay in necessary approvals being granted and could have a detrimental effect on the achievement of capital receipts and rental income due to the inability to secure approval to such transactions.

Tenders, Schemes and Estimates

5. The Council's Financial Regulations 2.5(ii) requires Cabinet approval to scheme and estimated costs for any works contract estimated to cost more than £100,000. Contract Procedure Rule 4.1 requires Cabinet consent before tenders can be invited for any works contract over £100,000 and Part 2 of Schedule 5 (General Delegations to Managers), allows Managers to accept tenders up to the EU threshold.
6. The absence of Cabinet meetings during the summer recess could mean a delay in necessary approvals being granted and could have a detrimental effect on the delivery of the capital programme.

Tender for the supply installation and maintenance of bus lane enforcement cameras and associated review and notice processing services

7. The Constitution and more specifically Contract Procedure Rules require Cabinet consent before tenders exceeding EU threshold can be accepted. The absence of Cabinet meetings during the summer recess could mean a delay in necessary approvals being granted and could have a detrimental effect on the delivery of the bus lane enforcement scheme.
8. This framework is for a fully managed service and the lease of all equipment necessary to carry out enforcement of bus lane contraventions, ensuring that the chosen solution is compatible with the Council's existing notice processing system (SiDem). It requires a lead in period for the installation of the cameras and implementation of the process to issue all penalty charge notices (PNC) for bus lane contraventions captured under this contract. The contractor is remunerated through a proportion of the penalty fee for each of the penalty notices issued.
9. Tenders were received from three companies, however the comprehensive evaluation required to identify the most economically advantageous tender has not yet been completed but is likely to be completed within the next couple of weeks.

Consultation

10. In preparing this report, consultations have taken place with the Leader and Deputy Leader.

Alternative Options

6. The alternative option of delaying decisions until after the recess would delay the generation of capital receipts and rental income, delivery of the capital programme and delivery of the next stage of the bus lane enforcement programme.

Implications of Recommended Option

7. **Resources:**
 - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the financial implications of decisions made under this delegated power during the summer recess will be recorded at the time they are made and included in a report to the next Cabinet after the recess.
 - b) **Human Resources Implications** – There are no human resources implications arising directly from this report.
 - c) **Property Implications** – A delay in decisions for property transactions would delay the generation of capital receipts and rental income.
8. **Risk Management Implications** - There are no risk management implications arising directly from this report.
9. **Equality and Diversity Implications** - There are no equality and diversity implications arising directly from this report.

10. **Crime and Disorder Implications** - There are no crime and disorder implications arising directly from this report
11. **Sustainability Implications** – There are no sustainability implications arising directly from this report.
12. **Human Rights Implications** - There are no human rights implications arising directly from this report.
13. **Health Implications** - There are no health implications arising directly from this report.
14. **Area and Ward Implications** - There are no area or ward implications arising directly from this report.
15. **Background Information** – None.