

**RECORD OF DECISION MADE UNDER DELEGATED POWERS GRANTED
BY THE BOROUGH COUNCIL OF GATESHEAD TO THE STRATEGIC
DIRECTOR, CORPORATE SERVICES & GOVERNANCE**

Nature of the Decision : Decision to settle a claim against the Council where proceedings are to be commenced unless settlement can be achieved.

Reason for Decision : The Council was presented with a claim from Openreach Ltd (t/a BT Openreach) relating to substantial damage which was caused to their apparatus on 4th August 2018. Repair costs were confirmed recently as being £163,636.71. Whilst the Insurance Manager has attempted to negotiate a lower settlement, this has not proved possible.

The Council was entirely responsible for the damage and liability therefore attaches. Whilst BT Openreach have not issued Proceedings against the Council thus far, they have indicated that they will accept nothing other than settlement in full. Should Proceedings be issued against the Council, due to the value of the claim, costs associated with this action would be excessive and would most probably outweigh any savings that might have been made had negotiations to settle at a reduced value succeeded.

The quantum claimed by BT Openreach has been duly considered by officers from the Council's Insurance, Legal and Highways, Drainage & Street Lighting teams.

Pursuant to paragraph 4(2) of Part 1 of Schedule 5 of the Constitution, decisions in relation to the settlement of any action in any court or tribunal, or where the appropriate pre-action protocols have been engaged, in which the Council is a party, up to a value of £100,000, may be taken by the Strategic Director, Corporate Services & Governance following consultation with the appropriate Strategic Director. Where the value is more than £100,000 the decision should ordinarily be made by Cabinet. However, where it is necessary to take urgent action and it is impracticable to obtain authorisation from Cabinet,

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PARAGRAPH 5 OF PART 1 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972

paragraph 4(e) of Part 2 of Schedule 5 allows managers to take such action subject to the action being reported to Cabinet for information at the next convenient meeting.

Having consulted with the Strategic Director, Corporate Resources, I am satisfied that it is appropriate to agree settlement of the prospective claim against the Council for a sum up to £163,636.71 in order to avoid the time and cost of protracted legal action.

Consultees: Strategic Director, Corporate Resources

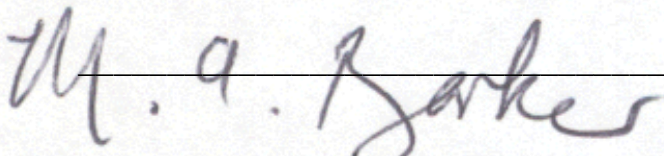
**Relevant Sections of Constitution
(Fifteenth Edition of the Constitution
Amended May 2019) :**

Paragraph 4(2) of Part 1 of Schedule 5
(delegation to Strategic Director,
Corporate Services & Governance)

Paragraph 4(e) of Part 2 of Schedule 5
(general delegations to managers –
executive functions)

Officer making the decision : Strategic Director, Corporate Services &
Governance

Signed by Strategic Director, Corporate Services & Governance



M. A. Barker

Dated :23 April 2021.....