

CABINET MEETING – 8 DECEMBER 2020

EXECUTIVE SUMMARY SHEET

Title of Report:

Property Advisory Services Framework

Author(s):

Executive Director of City Development

Purpose of Report:

To seek Cabinet approval to undertake a procurement process to establish a framework for the provision of commercial and residential property advisory services for the Council.

Description of Decision:

Cabinet is recommended to;

- (i) approve the carrying out of a procurement process in order to establish a framework for commercial and residential property advisory services for a term of four years; and
- (ii) authorise the Executive Director of City Development in consultation with the Portfolio Holder for a Dynamic City to conclude the contractual arrangements in relation to the proposed framework.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

A framework arrangement, with a number of suitable providers, allows the Council to source services at the lowest price and/or the most economically advantageous offer without undertaking a lengthier individual procurement process. The framework will enable a more efficient appointment process to be implemented in relation to specific requirements on an 'as and when' basis.

Individual appointments will remain subject to the Council's Procurement Procedure Rules including Cabinet approval where necessary.

Alternative options to be considered and recommended to be rejected:

Not to procure a framework agreement for the delivery commercial and residential property advisory services - this is not recommended as it would lead to a less efficient process.

Impacts analysed:**Equality****Privacy****Sustainability****Crime and Disorder****Is the Decision consistent with the Council's co-operative values?**

Yes

Is this a "Key Decision" as defined in the Constitution?

Yes

Is it included in the 28 day Notice of Decisions?

Yes

PROPERTY ADVISORY SERVICES FRAMEWORK CONTRACT

REPORT OF THE EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

1.0 PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to undertake a procurement process to establish a framework for the provision of commercial and residential property advisory services for the Council.

2.0 DESCRIPTION OF DECISION

- 2.1 Cabinet is recommended to;
- (i) approve the carrying out of a procurement exercise in order to establish a framework for commercial and residential property advisory services covering the period December 2020 up to March 2025; and
 - (ii) authorise the Executive Director of City Development in consultation with the Portfolio Holder for a Dynamic City to conclude the contractual arrangements in relation to the proposed framework.

3.0 BACKGROUND

- 3.1 The Council currently procures commercial and residential property advisory services for real estate assets for investment, development, agency and asset management work for the Council. This work is tendered on an ad-hoc basis and are carried out by a variety of private sector service providers according to the Council's requirements.
- 3.2 The nature of the existing arrangements requires the Council to tender in the open market with the successful tenders often being from organisations who supply a broad range of agency and advisory services. By the nature of their own corporate set up, firms do not always have the required specialisms in sub sectors such as Ports or Investment, often leading to advice being delivered by general practitioners as opposed to specialists in an area the Council needs specific advice in. To provide best value to the Council by delivering the optimum property solution and extracting the maximum value from each case, a framework identifying private sector suppliers with specialist expertise within the various property sectors is required.
- 3.3 The process of separately tendering each contact is time consuming and therefore more costly and as a result, Council resources are not being deployed in an efficient way.

4.0 PROPOSED ARRANGEMENTS

- 4.1 A procurement process is required in order to secure a revised and suitable commercial and residential property advisory services framework for the Council's real estate. This framework would cover the period December 2020 up to 31st March 2025.
- 4.2 The proposed framework will allow for advisory services to be provided by a variety of suppliers with specific expertise to reflect the individual nature of each asset.
- 4.3 The services proposed to be covered by the framework include but are not limited to; valuation, investment, development, agency, asset management and property management. Companies will be invited to tender for each service required, allowing differing services to be evaluated independently thereby ensuring the most appropriate appointment based upon the predefined evaluation criteria.
- 4.4 The maximum value of an individual contract award under this framework will be £250,000 (excluding VAT). Any contract with a value exceeding this amount will seek separate Cabinet approval in line with the Council's Constitution and Procurement Procedure Rules.
- 4.5 The requirement for a commercial and residential property advisory services framework will be kept under review and only deployed where considered appropriate to ensure the Council's property portfolio is managed in an efficient and appropriate way.
- 4.6 The framework, if approved will be available for other Council related organisations for example Siglion, and other relevant bodies subject to their own constitution and regulations.

5.0 REASONS FOR THE DECISION

- 5.1 A framework arrangement, with a number of suitable providers, allows the Council to source services at the lowest price and/or the most economically advantageous offer without undertaking a lengthier individual procurement process. The framework will enable a more efficient appointment process to be implemented in relation to specific requirements on an 'as and when' basis.
- 5.2 Individual appointments will remain subject to the Council's Procurement Procedure Rules including Cabinet approval where necessary.

6.0 ALTERNATIVE OPTIONS

6.1 The following option was considered and rejected;

- 6.1.1 Not to procure a framework agreement for the delivery commercial and residential property advisory services - this is not recommended as it would lead to a less efficient process.

7.0 OTHER RELEVANT CONSIDERATIONS / CONSULTATIONS

- (a) **Financial Implications** – There are no direct financial implications of putting in place the proposed framework for the procurement and award of Commercial and Residential Property Advisory Services for the Council. Use of the framework by the Council will be subject to appropriate revenue budget provision or capital programme funding being in place.
- (b) **Legal Implications** – The framework shall be implemented in accordance with the Public Contracts Regulations 2015 and the Council's Procurement Procedure Rules.
- (c) **Procurement** – The establishment of a commercial and residential property advisory services framework will be undertaken in accordance with the Council's Procurement Procedure Rules.
- (d) **Implications for Other Services** – It is anticipated that the implementation of a framework would be beneficial to other services within the Council.

