
REPORT TO:	Cabinet Member for Resources, Enterprise and Economic Development
DATE:	6 November 2018
SERVICE AREA:	Planning & Development
REPORTING OFFICER:	Executive Officer Strategic Property & Major Projects (<i>Strategic Estates Surveyor - Glenn Levison</i>)
SUBJECT:	ESTATE MANAGEMENT – SURVEYORS’ FEES 2019 / 2020
WARDS AFFECTED:	All
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an annual update for the fees and charges used by the Council’s Estates team when managing the council’s property portfolio.

2.0 RECOMMENDATIONS

- 2.1 That the schedule of fees and charges set out in Appendix 1 be agreed for implementation from 1 April 2019. These include an overall 2.5% increase in line with the council’s medium term financial strategy.
- 2.2 Registered charities continue to be entitled to a 35% discount on any surveyors’ fees charged by the council.
- 2.3 The Executive Officer – Strategic Property & Major Projects will continue to have delegated authority, in consultation with Cabinet Member Resources, Enterprise and Economic Development, to waive or vary the charging of surveyors’ fees where there is a genuine case that the council’s interests in a property transaction may be prejudiced by charging the fees set out in Appendix 1.

3.0 RECOMMENDED REASONS FOR DECISION

- 3.1 To allow for the standard surveyors’ fees charged by Estates to external parties and organisations to be increased so that costs can be recovered

whilst maintaining certainty, transparency and consistency for customers and tenants.

4.0 ALTERNATIVE OPTION CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 Not to increase the level of surveyors' fees: The costs of providing the service would not be covered and the quality of service would diminish.

5.0 THE REPORT

- 5.1 Standard fees have been in place since April 2016. Prior to this Estates charged fees for officers' time incurred in certain estate management cases; the approach was neither standard nor consistent.

The proposed fee structure for 2019/2020 is set out in Appendix 1. Surveyors' fees have been increased by 2.5% (rounded to the nearest £ sterling) in line with the councils medium term financial strategy as agreed by Cabinet.

- 5.2 Due to the nature of estate management negotiations, there may be occasions where flexibility is required. For example the council may be negotiating the transfer of a surplus asset to a voluntary group in order to secure continuation of a threatened local community service and achieve revenue savings for the council – this may be a situation where the application of commercial surveyors fees could unduly prejudice the overall outcome or put at risk the achievement of a corporate objective. Therefore whilst the default approach will be that fees are applied consistently in all cases, there are circumstances where there will be a need to either completely waive or vary fees.

- 5.3 Some of the proposed fees are listed as 'minimum' fees rather than fixed fees. This is to reflect the varied nature and scale of property transactions, whereby certain transactions will be larger or more complex and thus will inevitably cost more (in officer time) to negotiate/conclude.

All fees will therefore be explained in advance, in writing as part of initial discussions/negotiations. Written advice will explain that "in the event of the matter being more protracted or complex than initially anticipated the Council reserves the right to charge such additional reasonable fees as is appropriate'.

- 5.4 In the majority of estates management cases, the council's Legal Services service will also be charging fees. These fees are already standardised and subject to periodic review.

- 5.5 This is the third review of the standardised surveyors' fees since their introduction in 2016

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below

6.2 Financial Implications – Finance staff have been consulted during preparation of this report and are content with the proposals outlined

6.3 Legal Implications – Legal Services have been consulted during the preparation of this report and are content with the proposals outlined.

7.0 CONCLUSION

7.1 The introduction of a standard schedule of surveyors' fees in April 2016 was a positive step forward. It provided certainty, transparency and consistency for tenants and customers as well as ensuring that officer's costs can be partially recovered. The raising of fee levels in line with corporate guidelines for 2019 / 2020 is therefore appropriate.

Background Papers – None

Appendices – Appendix 1: Schedule of Fees and Charges 2019/20

OFFICER CONTACT: Please contact Glenn Levison if you require any further information on the contents of this report. The Officer can be contacted at Council Offices, HCC, Harrogate by telephone on (01423) 500600 or by email at glenn.levison@harrogate.gov.uk