

LOCAL GOVERNMENT REORGANISATION IN NORTH YORKSHIRE

GENERAL CONSENT IN RELATION TO DISPOSALS, CONTRACTS AND AGREEMENTS

Introduction and Scope of Consent

- 1 This General Consent is based upon the fundamental principle that all existing/outgoing local authorities in North Yorkshire, in the face of Local Government Reorganisation, will continue to uphold the highest standards of public administration and stewardship of public resources and have confidence in each other that these standards will continue to be upheld as the preparations continue for a smooth transfer of responsibilities to North Yorkshire Council to be established on 1 April 2023. This General Consent recognises that many initiatives and actions of the existing/outgoing authorities will need to continue pending Vesting Day within established budgetary plans and seeks to avoid paralysis in public service delivery/development during this period. It sets out a number of instances where the further consent of the Executive is not required by virtue of having been given by this General Consent.
- 2 The scope of this General Consent means that it will only apply to matters which are currently within the definition in Section 24 of the Local Government and Public Involvement in Health Act 2007 (and have been made the subject of a Direction made by the Secretary of State under that section in relation to the North Yorkshire area) and therefore in particular involve the following:
 - Non Capital (ie Revenue) contracts exceeding £100,000
 - Capital contracts exceeding £1m or where the term for payment for such contacts is variable
 - Disposals of land and buildings exceeding £100,000
- 3 Section 27 allows aggregation of these limits for disposals/contracts after 31 December 2006. The Direction makes it clear that aggregation of the limits will apply.
- 4 The matters which fall within the definitions contained in the Schedule can proceed in the normal way and are subject to a General Consent from the Executive. These matters are approved and require no further consent to be obtained. Nevertheless in these cases it is expected that outgoing councils will ensure that contracts and agreements allow the maximum flexibility to the successor authorities to achieve future economy, efficiency and effectiveness. For example, limited extensions of existing contracts and break clauses in new contracts will provide early scope for reappraisal. Where matters fall outside the definitions then a specific written Consent will be required if the contract/ disposal is not to be void. The process for seeking and providing such Consents is set out in the next part of this document.

Process for seeking, and giving, of specific Consents

- 1 Where a Specific Consent is required, the Authority seeking the Consent shall submit a written request to officers designated for these purposes by the Executive (the “Designated Officers” are the Section 151 Officer and Monitoring Officer) in question providing such information as is reasonably required by those officers. The Section 151 Officer shall be authorised (and have the delegated power from the Executive) to give any consents required, but shall, at their discretion refer the matter to the relevant Executive Member or the Executive for a decision.
- 2 Records of the decisions of the Section 151 Officer and the Executive Member will be maintained. Where decisions were taken to give a Consent then these will be reported retrospectively to the Executive.

Review

This General Consent will be kept under review by the Executive and amended or developed as necessary in the light of experience and practical application.

The Schedule

TRANSACTIONS WHERE A GENERAL CONSENT TO PROCEED APPLIES

1. Approval for Revenue Expenditure

The Executive gives a general consent to the District and Borough Councils to fulfil their revenue budget as approved by:

- (a) Craven District Council on 1st February 2022
- (b) Hambleton District Council on 22nd February 2022
- (c) Harrogate Borough Council on 9th February 2022
- (d) Richmondshire District Council on 22nd February 2022
- (e) Ryedale District Council on 24th February 2022
- (f) Scarborough Borough Council on 25th February 2022
- (g) Selby District Council on 24th February 2022.

2. Land Transactions/Asset Disposals/Capital

- A disposal certified by the Monitoring Officer of the disposing authority that it is required by statute (e.g. purchase notices, compulsory purchase notices, right to buy sales) or in fulfilment of an enforceable legal obligation in existence as at 22.05.2022.
- Leases of commercial premises built and/or existing as at 18 December 2007, with or without a premium, where the terms are certified as representing the best consideration that can be reasonably be obtained.
- Leases for seven years or less where the annual rental payable does not exceed £50,000 per annum.
- Consents to assignments, underleases and variation of terms where these are commercially prudent under a value of £50,000 in totality.
- All land and other related transactions in order to deliver the capital projects as identified in Annex A - General Consents to Capital Projects.
- There is a presumption that there will be no capital disposal or land sales outside of those identified, and therefore individual land disposals outside those identified will need specific approval.

3. Contracts/Procurement

- Contracts for goods or services which do not extend beyond 1st April 2023 where the contract does not contain provisions to enable extensions beyond that date.
- All contracts identified in Annex B - Procurement Forward Plan. This Plan is to be lodged with (and approved by) the Assistant Chief Executive, Legal & Democratic Services and the Corporate Director, Strategic Resources by 20th May 2022 and is to be consistent with the Revenue Budget and Annex A as referred to above.
- Emergency responsive maintenance of buildings and highways up to a value of £200,000 in totality.
- Any contract for goods or services which is required as an essential response to a civil emergency.
- Contracts relating to the employment of staff or agency workers of a value under £50,000 per year. In considering approvals for above this amount the Section

151 Officer will consult with the Assistant Chief Executive - Business Support for the County Council and the relevant officers within the District Councils.

- Agreements relating to the investment of local authority funds either for short or long term purposes in accordance with an Authority's existing agreed Treasury Management Strategy. For avoidance of doubt, all new external borrowing would need specific approval to check whether it is possible to internally finance within the 8 Councils prior to drawing down external borrowing. In addition, for the avoidance of doubt, all new alternative / commercial investments as part of a treasury management strategy will require specific consent prior to contracts being exchanged.

4. Use of Reserves

- It is recognised that the current economic climate is such that some contracts and areas of spend may well be in excess of budgets. As a result the Executive gives additional approval to use additional levels of Reserves for revenue or capital purposes of up to a maximum of £200k where this is for each area of spending that was committed to as part of the original Revenue Budget (as set out in 1. Above) or the General Consents to Capital Projects (Annex A to this report). For the sake of clarity, this does not apply to new schemes which will require consent.

GENERAL CONSENT TO CAPITAL PROJECTS

[To follow]

PROCUREMENT FORWARD PLAN

[To be submitted to and approved by Assistant Chief Executive (Legal and Democratic Services) and Corporate Director - Strategic Resources]