

## **Report to Portfolio Holder for Environment**

**Subject:** Work for Third Parties – Delegations

**Date:** 27 February 2018

**Author:** Deputy Chief Executive and Director of Finance

### **Wards Affected**

All

### **Purpose**

To seek approval to extend the current formal delegations to the Corporate Director to approve work carried out for third parties by the Parks and Street Care Service (PASC) up to a value of £20,000 for residents living outside of the borough.

### **Key Decision**

This is not a key decision

### **Background**

1.1 A previous report to the Portfolio Holder for Environment dated 6 May 2014 (Appendix 1) gained approval that:

(a) The Corporate Director responsible for Parks and Street Care be authorised to approve all work for third parties carried out by PASC up to the value of £20,000.

(b) The said Corporate Director be authorised to agree the fees and charges for such work on a full cost recovery basis.

1.2 The type of works within this delegation were to include:

1. grounds maintenance
2. arboriculture services
3. street cleansing works

and such work was to be carried out for:

- a. Residents of the Borough;
- b. Businesses within the Borough; or
- c. Other public bodies.

- 1.3 A Cabinet decision dated 11 September 2014 (Appendix 2) widened these delegations to each Corporate Director for all work for third parties up to the value of £20,000 per contract or type of work, and agreed that fees and charges for such work must, as a minimum, be on a full cost recovery basis. It also extended the delegations to allow for businesses outside the borough.

## **Proposal**

- 2.1 The Council is aiming to become more commercial, and is considering new opportunities regarding:

- tree services,
- landscaping services,
- pet cremation/ashes burial service,
- clinical waste,
- and asbestos collection.

- 2.2 In order to make a success of these ventures, it is necessary to seek approval to extend these delegations even further to include work for residents outside of the borough, still within the existing financial controls up to the value of £20,000 per contract or job. The Corporate Director will continue to be responsible for ensuring compliance with the requirements in the Financial Regulations set out above and that the Council has the powers to provide the service requested.

The Portfolio Holder for Environment, in their Executive capacity, will continue to be consulted and take decisions on all work carried out for third parties in excess of £20,000.

## **Alternative Options**

- 3.1 There is only one alternative option and that is to remain with the status quo as outlined with the current version of the Constitution and Financial Regulations. This is not favoured as it will restrict the markets in which the new teams can operate within.

## **Financial Implications**

- 4.1 The Council's Financial Regulations require that work for a third party is

not subsidised by the Council and therefore all fees and charges must ensure full cost recovery. A surplus can only be generated where the Council has a specific statutory power which allows this.

## **Appendices**

- 5.1 Appendix 1: Work for Third Parties – Delegations - Portfolio Holder for Environment - 6 May 2014
- 5.2 Appendix 2: Work for Third Parties – Delegations to Corporate Director – Cabinet - 11 September 2014

## **Background Papers**

- 6.1 None

## **Recommendations**

### **THAT:**

- (c) The existing delegations are extended to allow the Corporate Director responsible for Parks and Street Care to be authorised to approve all work for third parties carried out by PASC up to the value of £20,000 to include all work for residents outside of the borough.
- (d) The said Corporate Director be authorised to agree the fees and charges for such work on a full cost recovery basis.

## **Reasons for Recommendations**

To ensure that the Council's Constitution and Financial Regulations are effectively upheld and adhered to, and also ensure that delegated authorities from the Executive, support the Council's desire to be more entrepreneurial.

To ensure that every opportunity is given to the PASC team to recover service costs and extend the boundaries within which it can operate.