

Decision under Delegated Powers

Officer Requesting Decision

Neil Whittall – Acting Head of Financial Services

Officer Making the Decision

Justin Henry – Director of Commercial and Economic Development and Contract Compliance Officer

Recommendation

That the Council agrees to sign a contract for Asset valuations framework agreement with Wilks Head & Eve LLP

Reason

To enable the council to be compliant with International Accounting Standard 16 (IAS 16) (Property, Plant and Equipment) and engage with Wilks Head and Eve LLP to perform a year 1 full revaluation and 5 subsequent desktop valuations.

Authority for Decision

Section 16.5 of the Financial Regulations states:

For goods and services estimated to be below £500,000 in value which do not exceed the approved budget for the scheme or supplies in question, decisions on the awarding of contracts are made by the Chief Executive or his/her nominee.

Decision and Date

Approved on 19 August 2024



Justin Henry
Director of Commercial and Economic Development and
Contract Compliance Officer

Background

The council has a statutory obligation, under international accounting standards and the Chartered Institute of Public Finance and Accountancy (CIPFA) standards, to carry out asset revaluations as part of our annual financial reporting. This was previously done under a contract with Wilkes Head and Eve LLP in 2019 with the full revaluation and subsequent desktop valuations.

We have engaged with STAR procurement and they have advised that we can enter into a framework agreement for a further 5 years

Financial Implications

By agreeing to the contract then Charnwood would be signing itself up to a 5-year contract

Year	Description	Cost
1 st April 2024	Full Revaluation	£31,500
31 st March 2025	Desktop Valuation	£19,100
31 st March 2026	Desktop Valuation	£19,100
31 st March 2027	Desktop Valuation	£19,100
31 st March 2028	Desktop Valuation	£19,100
31 st March 2029	Desktop Valuation	£19,100
	Total	£127,000

The total cost of the contract would be £127,000 and the annual cost would be met from the General Fund Revenue Account.

Risk Management

List risks in table below or state that 'No specific risks have been identified with this report'.

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
Failure to meet the requirements of IAS16	3	5	15	Risk mitigated through entering into a contractual agreement as set out within this DD

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
Adverse opinion given on the annual statement of accounts by the council's external auditors	3	5	15	As above

Key Decision:

Yes

Background Papers:

None