

Report of	Meeting	Date
Director People and Places (Introduced by the Executive Member for Places)	Executive Cabinet	12 August 2010

CCTV – SERVICE AND MAINTENANCE CONTRACT

PURPOSE OF REPORT

1. To advise Members of a short term contract extension relating to the current CCTV service and maintenance contract.

RECOMMENDATION(S)

2. Members are asked to note the report.

EXECUTIVE SUMMARY OF REPORT

3. Chorley Councils CCTV infrastructure is serviced and maintained through an external provider subject to a contract procured under the Councils procurement rules. The current contract comes to an end in December 2010. The contract would normally be retendered over the coming months in order to secure a contractor to provide the service and maintenance of the Councils CCTV infrastructure from January 2011 onwards and the contract term would be in the region of three years in order to allow contractors the ability to submit a value for money contract price.
4. The Council has an opportunity to participate in a Team Lancashire procurement exercise for CCTV servicing and maintenance services provided our contract arrangements are co terminus with other District Councils, which for the majority fall at the end of 2011.
5. Procuring a short term stand alone contract at this stage would attract a premium price from bidders due to the short term nature (12 months) of any contract.
6. The Council has the ability to extend the current contract where there is a sound business case for doing so. It has been determined by the Director Transformation that, in this instance, going to the market for a short term contract would not provide value for money and the alternative of negotiating an extension to the existing contract with the current provider offers the best solution for putting the Council in a position where it can participate in any joint procurement of services at the end of 2011.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

7. To ensure the Councils complies with Standing Orders and contract extension rules.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

8. None

CORPORATE PRIORITIES

9. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	x

BACKGROUND

10. The Councils constitution sets out rules and Standing Orders for the procurement of goods and services.
11. The Councils procurement rules provide for contract extensions subject to regulatory compliance and where the Authorised Officer is satisfied that such extension provides best value for money and is reasonable. Para 35 and 36 of Part D of Appendix 3 of the Constitution refers:

Contract Extension

35.1 Any contract may be extended in accordance with its terms. Where the terms do not expressly provide for extension, contracts subject to the Regulations may be extended by negotiation in accordance with the rules set out in the Regulations. Such extension shall be notified to the Executive Cabinet.

35.2 Any extension exceeding £75,000 in value shall require the approval of the Executive Cabinet or relevant Executive Cabinet Portfolio Member.

35.3 The Authorised Officer shall always be satisfied that extension will achieve Best Value for Money and is reasonable in all the relevant circumstances.

12. The current CCTV contract has an annual value of less than £30,000 and negotiations with the incumbent contractor indicate they are willing to accept a 12 month extension to the existing contract on the same terms and conditions and at the same price adjusted using the RIPx indicator
13. The relevant contract procedure waiver documentation has been completed and the Authorised Officer has approved the proposed contract extension on the grounds that a short extension will enable the end of the contract to be co terminus with other Lancashire Districts and so provide the basis to explore joint procurement of these services. In addition the Authorised Officer has been satisfied that an extension provides better value for money than going out to the market place for a new short term contract which would likely attract disproportionate setup costs relative to the contract term of 12 months.

IMPLICATIONS OF REPORT

14. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	x	Customer Services	
Human Resources		Equality and Diversity	
Legal	x	No significant implications in this area	

COMMENTS OF THE DIRECTOR OF TRANSFORMATION

15. The request for a waiver of standing orders has been considered by the Section 151 Officer and Monitoring Officer in accordance with the Council's constitution. It is agreed that an extension of the existing contractual arrangements is both necessary and proportionate in these circumstances.

JAMIE CARSON
DIRECTOR PEOPLE AND PLACES

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
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