RECORD OF EXECUTIVE DECISION

Monday, 16 April 2012

Decision No: (CAB 11/12 7980)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Environment and Transport
SUBJECT:	Future Service Delivery arrangements for Romanse and CCTV
AUTHOR:	Malcolm Cooper

THE DECISION

(i) That the City Council should enter into a 10 year partnership contract with Balfour Beatty Living Places with an option to extend by a further 5 years, to deliver a new combined ROMANSE and CCTV Service at City Depot with a service commencement date of 1st October 2012.

(ii) To delegate authority to the Director of Environment, in consultation with the Head of Finance and IT, the Head of Legal, HR and Democratic Services to proceed to financial and contractual close.

(iii) To delegate authority to the Head of Legal, HR and Democratic Services to enter into all necessary legal contracts and documentation to action the above decisions.

REASONS FOR THE DECISION

1. The delivery arrangements for ROMANSE and CCTV services needed to be reviewed in order to ensure the Council delivered good value for money. The review was timed to coincide with break clauses and expiry of leases on current accommodation at Town Quay and St. Mary's Stadium.
2. With increasing financial pressures and reducing resources there was also a need to identify potential savings targets which need to be delivered over the next 2 years. Finally, a need to maintain and improve assets, and look at potential income generation means that the services cannot continue to be delivered in the same way.
3. Challenging savings targets of £520,000 have been set against the services to deliver over the next 2 years. These savings will be guaranteed as part of the contract sum and will be delivered in the first year of contract commencement. Alternatively the service will need to deliver them themselves over 2 years.
4. Following an options appraisal a new combined and co-located. ROMANSE and CCTV service was considered the best way forward. The comparison concludes that an externalised arrangement provides the council with the best value for money option and lower risk as opposed to continuing to provide the services in-house.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. The option of continuing to deliver services in the current way was ruled out on the grounds that service efficiencies needed to be delivered, substantial savings were required and there was an opportunity to vacate premises.
2. The option of scaling the ROMANSE and CCTV services down to a skeleton service was considered and rejected because:
    - It is a high risk strategy because LTP and Safe Cities objectives would be very difficult to deliver which may impact on the Economic Development of the City
    - Additional funding when received for one off projects (for example through LTP or EDRF funding) would have to be treated as discrete projects and external consultants used to deliver the ROMANSE elements of these projects which would be a much more expensive approach.
    - There would be no strategic management of the City's road network.
    - This option would require further staff redundancies
3. The option of partnership working with other Authorities has been considered and rejected. Whilst this could generate savings and income, it requires complete cooperation with another partner Authority and is considered to be difficult to achieve in the timescales required and there are no guarantees that such an arrangement could be delivered.
4. The option of delivering ROMANSE and CCTV services through other delivery models such as a Trading Company has been rejected. Whilst the Council has trading functions, it currently does not have a Trading Company which would allow services to take a more commercial approach to charging and winning third party contracts. Setting up such a Trading Company is not possible in the timescales required in order to deliver savings and vacate properties.
5. Consideration was also given as to whether the combined service should be delivered in house or through a private sector partner. The two in house options considered were to deliver a combined ROMANSE and CCTV Service at City Depot, or alternatively at St Mary's Stadium. Both in house options have been considered against the preferred bidders final bid, but following evaluation of all 3 bids (as set out in appendices 3 -6) the conclusion is that the bid from Balfour Beatty Living Places provides a more robust solution and guarantee of delivering the required savings than either of the 2 in-house options.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD
We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 16th April, 2012	Decision Maker: The Cabinet
	Proper Officer: Judy Cordell

SCRUTINY
Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expired on
24th April 2012
Date of Call-in *(if applicable) (this suspends implementation)*
8th May 2012
Call-in Procedure completed *(if applicable)*
yes
Call-in heard by *(if applicable)*
Overview and Scrutiny Management Committee 8th May 2012
Results of Call-in *(if applicable)*
The Overview and Scrutiny Management Committee requested that the Executive reconsider the decision. Cabinet Reconsidered the matter at a meeting on 8th May 2012 and confirmed that the decision should be implemented as per the original recommendations set out in this notice.