

TEST VALLEY BOROUGH COUNCIL

HEAD OF SERVICE'S DECISION

Committee: Executive
Chairman: Councillor Ian Carr
Head of Service: Terry Gilmour, Head of Technical Services

MAPPING SERVICES AGREEMENT WITH LOCAL GOVERNMENT INFORMATION HOUSE LIMITED

REASON FOR URGENCY

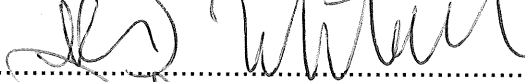
(After consultation with the Chief Executive)

The agreement must be executed by 31st July 2005

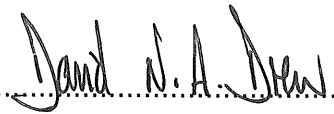
DECISION

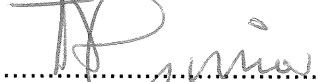
(After consultation with the Chairman (or in his absence the Vice-Chairman), who has not requested that the matter be referred to a special meeting of the Committee).

That contract standing orders be waived to allow the Council to enter into the Mapping Services Agreement with Local Government Information House Limited for the supply of Ordnance Survey and other mapping data without going out to tender.

Chief Executive's/
Director's Signature:  Date: 21.7.05

Chairman's/Vice-Chairman's
Signature:  Date: 21.07.05

Chairman's/Vice-Chairman's
(Overview & Scrutiny Committee)
Signature:  Date: 21st July 2005

Head of Service's
Signature:  Date: 22.07.05

Reported to Committee on Date:

BACKGROUND PAPER FOR HEAD OF SERVICE DECISION

Mapping Services Agreement with Local Government Information House Limited

Prepared by the Head of Technical Services

A. Recommended:

- (1) That Contract Standing Orders be waived to enable the Council to enter in to the Mapping Services Agreement with Local Government Information House Limited.

B. Reasons for Report Recommendations

- (1) In common with all other local authorities and like bodies the Council receives its mapping and associated data from Ordnance Survey and pays an annual fee of about £15,000 for this. This is set to change.
- (2) As a result of a tendering exercise carried out nationally the information currently received by the council is now to be provided by a number of different bodies including Ordnance Survey, Royal Mail and a company called Intelligent Addressing Limited.
- (3) Local Government Information House Limited (LGIH), a local government company, with its registered office at the I&DeA, has negotiated nationally a global contract for all the service elements. This has now been provided to all councils for execution by 31st July 2005.
- (4) The contract with LGIH effectively rolls into one all the licensing agreements required with the different bodies supplying the data.
- (5) The carrot for signing the contract by the above date is the fees structure for the provision of the information. The contract is for four years from the 1st April 2005. The first annual fee payable is £15,919 and the projected annual fees for the remaining three years are £16,017.63, £15,280.18 and £14,274.55. If the Council does not sign the LGIH agreement it will have to enter into separate agreements with the various companies supplying the data. In their covering letter the I&DeA state that, based on the Ordnance Survey published price list of April 2004, the cost of negotiating separate contracts would be £160,663.03 for a 12 month period. This would clearly be a significant increase.
- (6) The documentation makes it clear that there is no leeway on the date by which the contract has to be executed.
- (7) The Council requires the information the companies supply to carry on its business and to enable it to participate fully in the National Land & Property Gazetteer (NLPG). It effectively has no choice but to sign the agreement if it wishes to take advantage of the proposed fee structure.

- (8) The terms of the contract are not particularly favourable to local authorities and the Head of Legal Services is aware that there has been an exchange of correspondence between Devon County Council (with input from a number of councils) and LGIH over these points. The outcome is that the LGIH will not accept any amendments. It is a 'take it or leave it situation' with the 'leave it' option incurring the Council in a large increase in cost.
- (9) The main term that is unfavourable is that the Council cannot provide its own data that it has produced for the NLPG to a third party without the agreement of LGIH under the contract. However agreement must not be withheld unreasonably and therefore this may not be too much of a problem in practice.
- (10) There are termination provisions if the various service providers fail to perform.
- (11) The contract has been over a year in the negotiating but local authorities have only been given a few weeks within which to sign it.

C. Alternative Options Considered and Rejected

- (1) There are no realistic options.

SUMMARY:

- .The Council requires the data that is provided under the agreement.
- The agreement has been negotiated nationally and no amendment is being permitted.
- The deal on offer is the best available for the present time.
- The council has to sign up by the 31st July 2005 otherwise the favourable fee structure is lost.
- There is no other realistic option and therefore standing orders should be waived to enable the contract to be executed without going out to tender for the services.