
Meeting	Cabinet Resources Committee
Date	16 December 2013
Subject	Future CCTV Service
Report of	Cabinet Member for Safety and Resident Engagement
Summary	<p>The Council's CCTV service makes an important contribution towards delivering Barnet's Safer Communities Strategy through the identification of incidents leading to police interventions, the provision of evidence to secure prosecutions, by acting as a deterrent, and by increasing residents' perception of safety. This report recommends a cost effective approach to refresh the technology and sustain effective monitoring with the primary aim of improving delivery against the service's community safety objectives.</p>

Officer Contributors	James Mass, Family & Community Well-being Lead Commissioner Ciaran Bennett, Project Manager
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	N/A
Function of	Executive
Enclosures	<ol style="list-style-type: none"> 1. Full Business Case - CCTV 2. Appendix 1 Equalities Impact Assessment (Impact on Residents) 3. Appendix 2 Equalities Impact Assessment (Impact on Staffing) 4. Appendix 3 CCTV Procurement Evaluation Report
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1. RECOMMENDATIONS

- 1.1 That Cabinet Resources Committee approve the Full Business Case for the future of the CCTV service and authorise the procurement of a fully outsourced service through OCS Group UK Ltd, (identified as Supplier B in Appendix 3 – CCTV procurement evaluation report), for a period of five years (with a potential extension of an additional two years).**
- 1.2 That Cabinet Resources Committee approve an additional capital contribution of £972,000 funded from revenue contribution, from the council to enable the complete upgrade of the CCTV system (including Automatic Number Plate Recognition).**
- 1.3 That Cabinet Resources Committee approve an additional draw down of £30,000 from the One Barnet Transformation Reserve to fund the project resource required in order to facilitate mobilisation.**
- 1.4 That Cabinet Resources Committee authorises officers to issue a 'Letter of Intent and Authority to Incur Expenditure' to OCS Group UK Ltd to enable them to begin the technical upgrade process ahead of formal contract signature.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet, 29 November 2010 (Decision item 6) – approved the One Barnet Framework and the funding strategy for its implementation.
- 2.2 Cabinet, 14 September 2011 (Decision item 5) – approved the Safer Communities Strategy.
- 2.3 Cabinet, 20 February 2012 (Decision item 6) – approved the Business Planning Report 2012/13 – 2014/15 which included within the report the five projects to be developed through strategic outline cases.
- 2.4 Cabinet Resources Committee, 20 June 2012 (Decision item 6) – approved the Strategic Outline Case for the strategic review of Community Safety.
- 2.5 Cabinet Resources Committee, 18 April 2013 (Decision item 10) – approved the Outline Business Case for the Future CCTV Service and authorised the procurement of a fully outsourced service.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Crime reduction and community safety are top priorities for Barnet residents. One of the Corporate Plan 2013-16 priorities is “to promote family and community well-being and encourage engaged, cohesive and safe communities”.
- 3.2 The Council is a provider and commissioner of community safety services but also has a more significant local leadership role. Through chairing the Safer Communities Partnership the Council exerts strategic leadership, holds other agencies working in Barnet to account and is the driving agent of development in the system.

- 3.3 The recommendations in the full business case fit within the corporate change principles. In line with these principles, the refresh of CCTV will deliver:

A new relationship with citizens

- Citizens will feel safer and there will be less fear of crime as a result of confidence in CCTV to prevent and detect crime.

A one public sector approach

- Reduced crime and anti-social behaviour
- Improved crime prevention as CCTV is more effectively deployed and is more of a deterrent.
- Improved technology and a more flexible camera estate which can be used to respond to crime and anti-social behaviour hotspots.

Relentless drive for efficiency

- A more efficient CCTV monitoring service.
- Improved crime prevention as CCTV is more effectively deployed leading to a reduction in economic and social costs of crime.

4. RISK MANAGEMENT ISSUES

- 4.1 Risks associated with the delivery of this project are managed and reported in accordance with corporate risk and project management processes and will also be reported through existing democratic processes.

- 4.2 A risk assessment has been completed as part of the development of the Full Business Case.

- 4.3 The following risks have been identified as key risks relating to this project:

- The existing infrastructure is currently at the end of its useful life with an increasing risk of major service failure; the recommendation to award a contract to OCS Group UK Ltd and upgrade the camera equipment and network (technical upgrade) mitigates this risk.
- The implementation of the planned technical upgrade is expected to carry on beyond the planned service start date of 1 April 2014. In order to mitigate this risk and reduce the time until the technical upgrade is in place, it is recommended that the Council authorises officers to issue a 'Letter of Intent and Authority to Incur Expenditure' to OCS Group UK Ltd to enable them to begin the technical upgrade process ahead of formal contract signature.
- The risk of short mobilisation timeframes relating to staff TUPE transfer (three months between contract signature and service commencement date) have been mitigated by the project team resourcing an HR Business Partner to manage the TUPE transfer process in alignment with existing project management principles.
- As with any procurement process, there is a risk of challenge if the procurement process is not followed and that the Council's equalities obligations have not been followed. To mitigate this risk, the Council has undertaken the procurement of CCTV service according to the Council's Contract Procedure Rules and the Public Contracts Regulations 2006 and

the Council has imposed contractual equalities obligations and will continue to monitor the contract with regard to its potential impacts on equalities.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The Council and all other organisations exercising public functions on its behalf are required under the Equality Act 2010, to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.
- 5.2 An external facing equalities impact assessment for the service is attached as Appendix 1 – External-Facing Equalities Impact Assessment.
- 5.3 An internal facing (staffing) equalities impact assessment for the service is attached as Appendix 2 – Internal-Facing (staffing) Equalities Impact Assessment.
- 5.4 It is anticipated that overall the procurement of a fully outsourced CCTV service through OCS Group UK Ltd will have a positive equalities impact by supporting vulnerable people and victims, reducing antisocial behaviour and crime and the negative impact that this has on communities and improving community confidence in the Council's ability to address the concerns of communities and individuals.
- 5.5 A further equalities impact assessment in relation to the staffing implications from the CCTV service implementation will be completed and reviewed at General Functions Committee at an appropriate stage.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

Procurement

- 6.1 An OJEU (Official Journal of the European Union) restricted procedure was undertaken to identify the Provision of CCTV service. This involved publication of an OJEU notice on Wednesday 29 May 2013. The Pre-Qualification Questionnaire (PQQ) submission deadline date was 2 July 2013, the Authority received 40 expressions of interest during the period prior to submission and ten PQQ submissions were received.
- 6.2 PQQ submissions were evaluated based on the PQQ assessment criteria. Seven suppliers in accordance with the OJEU notice were shortlisted to the Invitation to Tender (ITT) stage.
- 6.3 The ITT documentation was issued on 1 August 2013 with the ITT submission deadline of 20 September 2013. Three tenderers withdrew from the process prior to the tender response deadline and four tenders were received via the

portal and successfully met the initial compliance checks upon receipt and opening.

6.4 ITT evaluation was undertaken based on the published criteria:

ITT ASSESSMENT CRITERIA	Weighting
Commercial Costs	40%
Total Cost to Deliver Minimum Specification	32%
Uplift Costs for 24hour Operation	4%
ANPR Costs	4%
Quality	60%
Mobilisation and Transition	10%
Minimum Technical Requirements	35%
Staffing	3%
Contractual Performance	3%
Increasing Income Stream	3%
ANPR	6%
Total Weighting	100%

6.5 The outcome of the evaluation was as follows:

	Total Score / %
Supplier B (OCS Group UK Ltd)	78.09
Supplier C	69.36
Supplier A	68.06
Supplier D	55.65

The evaluation identifies a successful bidder for the service, and the Full Business Case recommends proceeding to award the contract with the aim of achieving the target to transfer the service from 1 April 2014.

Finance

6.6 The table below sets out a summary of the costs and savings for the fully outsourced service as provided by OCS Group UK Ltd over a period of five years. The OCS Group UK Ltd. cost includes a service enhancement in the form of the introduction of ANPR technology and assumptions on the maintenance and number of camera relocations required.

Element	5 year total / £
Current Service Cost (revised anticipated annual running cost with no capital upgrade)	4,195,550
OCS Contract (inc. capital upgrade)	4,250,426
Current budget in capital programme	-477,000
Income from leasing current location	-325,000
Total Cost	3,448,426
Variance from Current Service cost	-747,124

- 6.7 This contract will deliver the following:
- £747,124 total saving over five years in addition to current plans in the MTFS.
 - The cost of ANPR is included in the total contract price, which is an extension to the Outline Business Case.
 - An upgraded service; a refresh of the technology platform is included within the contract price including new control room equipment to be co-located with LB Enfield.
 - Reduction in active monitoring to 16 hours (from current 24 hour provision). This will be mitigated by live access terminals at locations within the Borough. The business case concludes that this reduction will not be materially detrimental to the delivery of the service outcomes.
 - A more flexible service – movement of ten cameras per year is built into the service cost (but is only payable if cameras are moved).
- 6.8 The table in section 6.6 includes the total capital expenditure required by the Council in order to upgrade the existing CCTV camera network to the specification as defined by OCS Group UK Ltd.'s recommended bid (including provision of ANPR). A total capital investment of £1,449k will be payable during the mobilisation period (following contract signature).

The existing capital already in budget for the upgrade of CCTV equipment is £477k. Therefore, an additional capital contribution of £972k, funded from revenue contribution will be required from the Council to enable the project to maximise the benefits as laid out in the full business case.

Project Spend to Date

- 6.9 Project spend to date (to FBC stage) is £118k from the originally drawn down budget of £247k. The projected required budget to Go-Live is £277k.
- 6.10 An additional £30k is therefore required on top of the originally drawn-down budget.

Staffing

- 6.11 The procurement of a fully managed CCTV service will result in a TUPE transfer of the existing CCTV team to the new provider. The Council will not make any redundancies within the service relating to the transfer.
- 6.12 Where there is a service provision transfer then The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will operate to transfer in scope employees to a new provider. All of the Council's rights, powers, duties, and liabilities (except criminal liabilities) under or in connection with the contracts of employment of the relevant staff will transfer. The project will take into account any changes to TUPE Regulations expected in 2014 as part of the TUPE transfer process.
- 6.13 The number of CCTV Staff in scope totals 14.6 FTE. The service also makes use of a number of casual workers to cover sickness and other staffing shortfalls.

- 6.14 Where any change results in a TUPE transfer the Council will meet all of its statutory obligations provided by TUPE, and under the TUPE Transfer Commitments which the Council implemented in the summer of 2011. Under TUPE, existing contractual terms and conditions are protected on transfer and, under the TUPE Transfer Commitments which the Council implemented in the summer of 2011, all terms and conditions are protected for at least a year and in addition OCS Group UK Ltd. would be required to become an admitted body to the Local Government Pension Scheme.
- 6.15 The Council will continue to meet all of its statutory or contractual obligations with regard to change and its impact upon the Council's staff. In addition the Council has implemented a Relocation Protocol which we would expect OCS Group UK Ltd. to adhere to if they do not have a similar way of working.

IT & Property

- 6.16 The proposed capital investment to upgrade the existing CCTV network cameras to the specification as defined by OCS Group UK Ltd.'s recommended bid includes replacement of the entire camera network, including monitoring, recording, reviewing and transmission equipment for both CCTV cameras and the ANPR system. The proposed solution includes relocating of the control room from its existing premises to a new control room co-located with LB Enfield.

7. LEGAL ISSUES

- 7.1 Under s.6 of the Crime & Disorder Act 1998, the Council with other partner authorities (Chief of Police, Fire and Rescue Authority, Probation Service, Primary Care Trust and Local Health Board) has a duty to formulate and implement a strategy for the reduction of crime and disorder in its area (including anti-social behaviour adversely affecting the local environment), a strategy for combating the misuse of drugs, alcohol and other substances in the area and a strategy for the reduction of re-offending in the area. Under s.17 of the above Act, it is also a duty of the Council (and other partner agencies, including Police, Fire and Rescue, Greater London Authority, Transport for London) when exercising its functions to have due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder (including anti-social behaviour), misuse of drugs, alcohol and other substances and re-offending.
- 7.2 The full business case will support the Council's strategy to reduce crime and disorder and anti-social behaviour and to reduce re-offending.
- 7.3 The Council will need to ensure compliance with the Data Protection Act 1998 in relation to Information sharing. The contract with OCS Group UK Ltd. will include detailed provisions to ensure such compliance.
- 7.4 Legal Services will approve the contract as required under paragraph 5.9 of the Council's Contract Procedure Rules.
- 7.5 The procurement process was undertaken in accordance with public procurement rules.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

- 8.1 The Council's Constitution, Responsibility for Functions, paragraph 4.6 states the terms of reference of the Cabinet Resources Committee including "approval of schemes not in performance management plans but not outside the council's budget or policy framework".
- 8.2 Contract Procedure Rules, Appendix 1 – Table A states that authorisation to enter into a contract valued at £500,000 and above must be sought from Cabinet Resources Committee.

9. BACKGROUND INFORMATION

- 9.1 The Safer Communities Strategy was ratified by the Safer Communities Partnership Board (SCPB) in September and Council in November 2011 covering a three year period until 2014.
- 9.2 The Council's CCTV service makes an important contribution towards delivering Barnet's Safer Communities Strategy, by helping the Council and Police to prevent and tackle priority issues such as anti-social behaviour, violence and theft and by making a significant impact on residents' perception of safety.
- 9.3 The CCTV system in Barnet is out of date, expensive relative to more modern systems, and will very quickly no longer be fit for purpose. In light of significant saving pressures across the Council, the Full Business Case (FBC) proposes a cost effective solution for future management of the monitoring service and technical platform, with the primary aim of improving delivery against the service's community safety objectives.
- 9.4 The outcomes Barnet wishes to achieve in part through CCTV are:
- A reduction in crime / Anti-Social Behaviour.
 - An increase in successful prosecutions for crime / Anti-Social Behaviour.
 - A reduction in fear of crime / Anti-Social Behaviour.
 - More effective response to emergencies and business continuity issues.
- 9.5 The levels of crime vary significantly between the current CCTV sites. A detailed review is being completed in conjunction with the police to determine which sites in the Borough would most benefit from CCTV. There is also significant benefit in a more flexible technology that allows some of the cameras to be cheaply relocated to respond to changing crime patterns or emerging events.
- 9.6 Bidders were asked to provide costs for both 16 and 24 hours of active monitoring in the control room per day. It is recommended to move to a 16 hour active monitoring service given the following:
- Over 80% of incidents would still be monitored live by choosing to operate in the peak times for incidents.

- There will be live access terminals in the Borough.
 - There is provision within the service for monitoring of Barnet cameras in the case of an out-of-hours emergency.
- 9.7 The procurement of new CCTV technology includes an option to include Automatic Number Plate Recognition to assist the police with detection of crime, in particular burglary and vehicle crime. A more detailed business case is currently being developed for this with the police to ensure any additional investment will be effectively utilised by the police.
- 9.8 Potential additional revenue can include:
- 9.8.1 Income from the sale of decommissioned CCTV equipment: following the completion of the upgrade of the existing infrastructure/network to the new specification and appropriate user acceptance testing, will be sought during the mobilisation phase.
- 9.8.2 Income from the rental of the current location of the CCTV service expected to be £65k per annum.
- 9.9 OCS Group UK Ltd. has committed significant resources to business development as part of the contract. Though no income from this is guaranteed, a profit share will be in place for any additional growth in selling the service to other public and private sector organisations.
- 9.10 An OJEU restricted procedure procurement route was used and conducted in accordance with public procurement regulations and the Council's Contract Procedure Rules.
- 9.11 The intended length of the contract will be five years, with the potential to extend the contract by a further two years. The length of the contract is deemed necessary to allow the provider a sufficient return on investment (due to the large upfront costs expected to provide new technology).
- 9.12 The Council has a Code of Practice (2011) to govern the operation of Closed Circuit Television in Barnet, including ensuring compliance with the Human Rights Act 1998, Data Protection Act 1998 and Regulation of Investigatory Powers Act 2000.
- 9.13 The project will fall under the overall internal programme governance arrangements for One Barnet. This provides an established mechanism for decision-making and issue escalation, including reporting into the Strategic Commissioning Board (One Barnet programme board). The Director for Place will be the project lead within the SCB.
- 9.14 Key Milestones for Project

Task Names	Start	Finish
Cabinet Resources Committee	16/12/13	16/12/13
General Functions Committee	20/01/14	20/01/14
Call-in period, contract award and standstill	17/12/13	27/01/14

Pensions Fund Committee	18/03/14	18/03/14
Go-live	1/04/14	1/04/14

9.15 Project spend to date (to FBC stage) is £118k from the originally drawn down budget of £247k (as indicated in section 6.10). The projected required budget to Go-Live is £277k. An additional £30k is therefore required on top of the original drawn-down budget as seen in section 1.3.

Item	Cost / £
Project spend to OBC:	56,943
Project spend to FBC:	61,409
Spend to date	118,352
Estimated spend To Go-live	
Project management costs	25,200
Technical subject matter expert	30,000
Decommissioning of equipment	4,000
Legal	65,000
Actuarial assessments	3,000
HR	25,000
Finance	6,000
Total	276,552

10. LIST OF BACKGROUND PAPERS

1. Full Business Case - CCTV
2. Appendix 1 Equalities Impact Assessment (Impact on Residents)
3. Appendix 2 Equalities Impact Assessment (Impact on Staffing)
4. Appendix 3 CCTV Procurement Evaluation Report

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	SD