

MAYOR AND CABINET			
Report Title	Request for the Pre-Tender Authorisation for the Procurement of a supplier to operate the CCTV control room		
Key Decision	Yes		Item No.
Ward	All		
Contributors	Executive Director for Community Services (Daniel Fish-Halverson, Public Realm CCTV Manager; Gary Connors,)		
Class	Part 1	Date: 27 March 2019	

1. Summary

1.1 This report sets out the business case for the procurement of a supplier to manage and operate the Authority's CCTV control room from October 2019, when the current contract is due to end. It considers the options for the procurement of a supplier to operate the control room and the commercial aspects of and budgets associated with the contract.

2. Purpose

2.1 To set out the strategy to procure a Supplier to operate the Authority's CCTV control room.

3. Recommendations

It is recommended that the Mayor and Cabinet approve the commencement of the procurement of a supplier to operate the CCTV control room. The report also recommends approval to delegate to the ED for Community Services decisions on the procurement route for the new CCTV operating contract and for the shortlisting of bidders for the second stage of the OJEU procurement. The annual funding available for the new contract is £323.000 which includes a recharge of £40,000 pa for monitoring of cameras on housing estates

4. Policy Context

4.1 The Council's Public Space CCTV System supports the Corporate Strategy 2018-2022, under sections, 1, 4, 6, & 7. The service does this by helping to reduce the fear of crime; by deterring crime; by the detection of crime, by providing evidence of offences; by assisting in the management of town centres and housing estates; by enhancing community safety. Its presence provides the assurance of safety and support in and around our main shopping areas, thus assisting the development of the local economy both day and night time as well as encouraging greater use of the facilities and amenities of the borough through the reassurance of crime prevention and detection.

5. Strategic fit, policy context and procurement

Introduction

5.1 Lewisham Council's public area CCTV cameras surveil the town centres, Lewisham Homes housing estates and other areas with historically high levels of crime and antisocial behaviour. There are about 150 cameras surveilling public areas and about 700 cameras on Lewisham Homes estates. The systems are managed and operated at the secure control room at 1a Eros House, Brownhill Road, London, SE6 2EF; which is staffed 24-hours per day. The supplier is to be responsible for all aspects of the management and operation of the cameras for the control room.

5.2 The control room is operated by trained, licensed, staff supplied and managed by OCS. The contract is due to end on 31 October 2019.

Safer Lewisham Partnership

5.3 The Lewisham Partnership plan 2018-19 outlines the main priorities for the Safer Lewisham Partnership for the following year and proposes a reflective model that seeks to reduce violence in society. The plan describes how, 'Violence was the single focus for the Partnership in 2017/2018. Areas of peer on peer abuse, gender-based violence, and other violence were prioritised recognising the significant harm.' The plan shows how, whilst the number of total notifiable offences remains relatively stable, violent crime, which includes knife crime, violence against the person and gun crime, shows an upward trend. Tackling violence related to drug dealing follows a, 'multi-faceted approach has shown significant enforcement outcomes for those organising and leading the offending alongside reductions in drug offences, youth custody and knife injury for under 25-year olds'. The MOPAC priorities for 2017-21 again focus on reducing violence against the person, common assault and non-domestic violence, specifically.

Aims and objectives

5.4 The control room operates CCTV systems installed in public areas and Lewisham Homes, together relocatable cameras that can be installed in hotspots, temporarily. The service supports the Safer Lewisham Plan with its key aims and objectives of: to reduce the fear of crime; to deter crime; to detect crime and provide evidence of offences; to assist in the management of town centres and housing estates; to enhance community safety, assist in developing the economic well-being and encourage greater use of the facilities and amenities of the borough; to assist the Authority in its enforcement and regulatory functions; to assist in highways management; to support civil proceedings; and to support the council's integrated transport policy.

5.6 The following systems are installed in the control room and are to be operated by the Supplier. Further systems, equipment and cameras may be added or other changes made during the course of the contract and the Supplier is required to manage and operate these without an increase in the contract price, insofar as this is reasonable.

System name	Number of cameras (approximate)
Town centre	146
Lewisham Homes	547
Car parks	One system with 20 cameras
Vemotion relocatable cameras	5
Stryker relocatable cameras	2
Town centre radios	One system with two handsets

5.7 The supplier operates these systems live: responding to police and other requests for assistance; identifying and reporting incidents to the police; and reviewing and downloading

recorded CCTV images, as required. The CCTV system is linked to other control rooms: images from any three cameras ‘pushed’ to the Lewisham Police IBOs; and images from any three cameras ‘pushed’ to the Metropolitan Police Metcall Centre at Lambeth. Without a supplier to carry out these tasks the service would be diminished, no operators would be available to respond to events and the system would be record-only, in all probability.

Performance management and measurement

5.8 The contract will be managed by the Council’s CCTV Manager, who will have day-to-day contact with the Supplier. The Supplier is to be responsible for self-monitoring, reporting and service improvement. The Council will require access to written evidence of this process including the formal reporting of service level performance indicators [KPI] against the priority targets shown in the contract. The Council may perform any necessary checks to verify the claimed performance indicators.

Main interested parties

5.9 The Council and Lewisham Police are the principal users of the CCTV service but others include: other police services including specialist squads of the Metropolitan Police, other statutory investigation agencies, insurance companies, officers of the court (solicitors), and Data Subjects.

Current supplier - OCS

5.10 OCS has held the contract to supply control room management and operation services since 2012. The contract was let for an initial term of five years with the option to extend for period(s) of up to 24 months, which due to end on 31 October 2019.

5.11 Throughout the contract term, the supplier has performed entirely satisfactorily. OCS has provided a consistent and settled team and manager of the period of the contract, very few shifts have been missed due to staff illness or shortage of cover staff. Monthly performance indicators illustrate that it has met its contractual obligations and on very few occasions has the control room not had a full complement of trained and experienced staff on duty. Indeed, the team and its manager has been consistent throughout the contract term, with a low turnover of staff, which is essential for providing high quality CCTV control room services.

Options appraisal

Cost-benefit analysis

5.12 The options for meeting the business need are to: procure the service as is, with the control room staffed 24/7; to reduce the staffing to weekend cover only, with a member of staff on duty on weekdays to review and download recorded images; to no longer carry out live monitoring but retain a member of staff to review and download recorded images on weekdays, only, and, finally, to deliver the services in-house.

Option A: operate control room 24/7

5.13 As present, the control room is to be operated by two operators 24-hours per day and a control room manager who works 40 hours per week. A further operator responsible for the management of the Lewisham Homes systems works 40 hours per week. As well as

managing and monitoring the cameras, responding to requests for assistance via the Metropolitan Police Radio and Lewisham town centre radio systems; the operators assist the police and other agencies to review recorded images for the evidence and download for use in the investigation and prosecution of offenders. Reducing the number of operators on duty from two to one will mean no cover during breaks and, if an operator calls in sick, no cover at all for those shifts.

5.14 The benefits of this is that operators are available to respond to incidents as and when they happen, to pan and zoom the cameras on to incidents to both assist the police and emergency services on the ground and produce high quality CCTV images that can be used for the investigation and prosecution of offences. The operators not only respond to events reported to them via the police and town centre radio systems but, through working closely with partners, actively monitor the systems, surveilling crime hot spots, vulnerable victims, missing persons and offenders. The operator responsible for Lewisham Homes systems assists both the police and housing officers in the management of these properties and the control room supervisor manages the service, trains new members of staff in the systems, and reviews and downloads recorded images for the police and others.

Option B: operate with weekday and weekend cover, only

5.15 An option to reduce the cost of the service is to staff the control room when it is busiest, through the weekend only, say from Thursday evening through to Sunday morning, about 60 hours per week; with a further member of staff on weekdays to review and download recorded images and so forth. The role of the Lewisham Homes operator to manage the systems on its estates would be retained.

5.16 This would reduce the revenue cost of the service but, without a supervisor to monitor and train staff, there would be a huge and unmanageable risk to the quality of the services. This could be addressed by the employment of a weekend supervisor but costs would rise and savings diminish. A further risk is that faults would not be identified and reported as and when they occur. This would be a manageable problem if it affected no more than a few cameras but, in the event of a major system failure not being identified and reported, the impact might be considerable. As an adjunct, ensuring that the systems are working at all times could be delegated to the maintenance supplier but that would remove any form of independent monitoring of that service, which might itself be considered to be an unacceptable risk.

Option C: No live monitoring

5.17 The third option is to cease live monitoring within the control room but retain a member of staff during weekdays to manage recorded images and report system faults.

5.18 This option will reduce costs substantially but with a proportional reduction in the level and quality of service supplied. There would be no member of staff on duty to respond to incidents and live monitoring of the cameras would. It would be possible to manage this risk, in part only, with a capital project to replace each of the controllable PTZ cameras with, say, three fixed, high definition cameras. Lost though is the benefit of controlling cameras, zooming in on incidents, reporting crimes and tracking offenders and so forth, which a fixed camera cannot substitute for, entirely.

5.19 The review and download of recorded images could be carried out by one member of the supplier's staff or a Council officer designated for the purpose. This person would also have to carry out system and camera checks daily, to ensure that all equipment is working correctly.

5.20 To further preserve some level of service, a review suite might be installed in the police station to allow local officers to review and download images. But the Police cannot replace the Council for the management of all CCTV data. Defence solicitors sometimes request recorded images from the Authority, directly, so too insurance companies. The GDPR requirement that data subjects can have a copy of the personal data that the Authority holds of them, which CCTV images are considered to be, cannot reasonably be delegated to the police, either.

Option D: In-house service

5.21 The fourth option is to bring the service in-house whereby all of the members of control room staff are direct employees of the Council. This is a possibility and several local authorities have employed control room operators from the inception in the mid-1990s. The greatest risk is financial, the current team work of eight permanent operators work 12-hour shifts, a total of 42 hours / week. The supplier provides relief cover during holiday and sickness. Local authority members of staff have a shorter working week and longer holidays, which will increase the staff team by as much as 50% with a proportional increase in salary costs. Furthermore, the security industry operates on tight margins so the savings to be had there will be fairly modest.

5.22 Option E: Operate control 24/7 but one monitoring operator

The fifth option is to continue with 24/7 monitoring but only have one operator on each shift. In this way the service would be able to meet the proposed budget savings, the public and police would still receive an almost full complete service. Each operator would work there current 40 hour per week shift, the shift patterns will stay the same. The control manager post provided by the supplier would be lost but there would still be the operator that carries out the Lewisham Homes duties there to support the monitoring operator during the weekday, days, shift. The addition to this the directly employed Lewisham Council manager would move into the control room in order to also provide support.

There are issues with, lone working but we believe that this can be addressed to the satisfaction of all parties involved. Sickness will be an issue because most suppliers will not have a bank of standby operators that they can get in at short notice. It is a requirement within the contract but it is not often achieved. There is also the issue of breaks, where there is only one person on duty there will be periods where there will be no cover and therefore no support to the police, council officers or other agencies using the service. Lastly there is the issue of the quality of the support that we would be able to provide when using just one operator, it is not possible for one person to cover as many cameras or take in as much information as it is two, therefore it maybe that key images are missed because the operator wasn't able to focus a camera on a person or location. It is also that the case that with only one operator on, the control room can only deal with one incident at a time, rather than now where we have the capacity to deal with two.

5.23 Option A is preferred because it comes with the lowest risk to the service and will ensure that the police and other stakeholders in the system receive the support that they require for managing and reducing offending in Lewisham. The cost of the services is staffing, essentially, any reduction in cost is a reduction in the number of members of staff on duty in the control room. Should the budget be reduced, then the hours that the control room

would be operated would reduce proportionately; if one excepts the cost of the control room manager, of course. In order for the control room to operate 24/7 at the current level of service, then Option A is preferred and recommended.

Commercial Aspects

Key features of the contract

5.24 A contract term of 5 years with extension(s) of up to 24 months is considered to be a good balance of offering a service that is attractive to suppliers but is not so long as to restrict or distort competition by not re-procuring the services at the completion of a reasonable contract term.

5.25 It should be noted that the supplier does not have to make any capital investment to deliver the services and thus recoup the investment over the contract term.

5.26 There are various security specific standards that the supplier is required to comply with but, in essence, it is to provide a regular, consistent, trained, suitably qualified and vetted staff team who hold Security Industry Authority (SIA) public space CCTV licences. A large number of local authority public space CCTV control rooms in the South East have outsourced these services and several security companies provide such staff. The installation supplier for the IP equipment upgrade and the maintenance supplier will be responsible for training the operators and Council staff on any new equipment that is installed and to be operated by said staff.

5.27 The draft specification of services is appended to this report.

Value for money

5.28 The services are to be tendered competitively, which will ensure that the Council pays no more than the market-price.

Market testing

5.29 The possibility of letting the contract to monitor the control room together with the one maintain the CCTV equipment as two lots under the same contract has been considered and the market for which has been tested by a neighbouring authority over the past few months. Fifty suppliers considered the opportunity but none were interested in supplying both services, so there is no opportunity of procuring the two services as lots under the same contract and the Authority benefiting from any savings that might be made. It was found, however, that there is a fair market of suppliers available for the two elements, individually.

Procurement route

5.30 The contract value is above the EU threshold for service contracts and the services will be advertised and procured in accordance with the EU procurement rules.

5.31 In accordance with 'Best Value' the specification produced for the contract was 'output based'. Tenderers will be asked to submit a description of their proposals in the form of Method Statements, in order to test tenderers' understanding of service requirements. These will include proposals for assisting the Council in delivering continuous improvements.

5.32 The Method Statements will be assessed under the non-financial criteria and those provided by the successful tenderers will form part of the Contract documentation against which their performance will be monitored.

Social value

5.33 The supplier will be expected to add social value to its services through local recruitment of CCTV operators and to offer work placements for a range of roles within its business.

Evaluation of tenders

5.34 Tenders will be evaluated for both price and quality; the evaluation criteria are to be weighted 60% for financial and 40% non-financial matters, to reflect the need to secure services which provide value for money whilst providing overall service quality standards by setting a competency threshold in critical areas.

5.35 Tenders received will also be benchmarked against prices for similar services provided to neighbouring authorities.

Affordability

Funding available

5.36 The budgets associated with this service are:-

- Lewisham Homes CCTV: £40,000 and,
- CCTV Public space: £283,000

5.37 Estimate project costs are as follows:-

- 5 + 2 years – £2,261,000

Project risks and contingencies

5.38 Risk: Suppliers not tendering for the services.

- Contingency: The current supplier will be approached to ask whether or not it will continue to supply the services to allow the Council to conduct further market testing and revise the contract documents to be more attractive to the market

5.39 Risk: Cost of the tender exceeds the budgets available.

- Contingency: The volumes of the services, the hours that the control room is staffed, would be reduced to meet the budget available, which would be in line with the terms of the contract.

6. Financial Implications

- 6.1. The report also seeks approval to delegate to the Executive Director for Community Services decisions on the procurement route for new CCTV operating contract (from 1st October 2019) and for the shortlisting of bidders for the second stage of the OJEU procurement. The annual funding currently available for the new contract is £323,000, which includes a recharge of £40,000 p.a. to the HRA for monitoring of cameras on housing estates.

7. Legal Implications

7.1 This report asks for pre-tender authorisation for commencement of a procurement process for the CCTV monitoring contract for a 5 year contract period with an option to extend for a further 2 years. Under the CPR the value of the contract means that it is a Category A contract. As such Mayor and Cabinet has authority to make that decision (Contract Procedure Rule – CPR - 3.1). The report sets out the business case, the contract value and other matters required by CPR.

7.2 Given that the procurement of the new CCTV monitoring contract will be above the EU threshold, the Council's duties under the Public Services (Social Value) Act 2012 applies. The Council therefore has a duty to consider, before commencing a procurement process, how the procurement might improve the social, economic and environmental wellbeing of the area; and consider how the procurement might be conducted so as to secure that improvement. The body of this report sets out those considerations.

7.3 The Council has a public sector equality duty (under the Equality Act 2010 (the Act)). It covers nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.4 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

7.5 The duty is a “have regard duty”, and the weight to be attached to it is a matter for the decision maker, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

7.6 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can

be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>.

7.7 The Equality and Human Rights Commission (EHRC) has issued guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

8 Equalities implications

8.1 The Council's Comprehensive Equality Scheme for 2012-16 will provide an overarching framework and focus for the Council's work on equalities and help ensure compliance with the Equality Act 2010.

9 Environmental Implications

9.1 There are no environmental implications associated with this report.

10 Crime and Disorder Implications

10.1 The CCTV systems help the Safer Lewisham Partnership create more secure town centres and housing estates, through the reduction of crime and the fear of crime. Integrated CCTV surveillance with high-resolution cameras and effective video-analytics has been found to help reduce crime and anti-social behaviour, consistently, and to minimise its effect.

11 Conclusion

11.1 This report sets out the various options in terms of scope and delivery of services for the management and operation of the CCTV control room.

11.2 Considering the options for the delivery of the service, in order to meet the needs of a 24-hour control room that can support the police and other services at a lower cost, it is recommended that the current level of service should be maintained and a contract let in a similar form to that as present.

12 Background documents and originator

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