



Cabinet
13 March 2017

**Report from the Strategic Director of
Regeneration and Environment**

For Information and Action

Wards affected:
ALL

**Council CCTV Making a Safer Brent: Income Generation and
Service Savings**

Appendix 2 is Not for Publication

This part of this report is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

1.0 Summary

1.1 In 2015, a full review and consultation over the future of Closed-Circuit Television (CCTV) took place. The review highlighted that cameras were archaic and required an upgrade to ensure operational longevity, reliability and value for money. Options to move towards a more commercially attractive business model were also introduced.

2.0 Recommendation

2.1 That Cabinet approve Option 2 CCTV upgrade proposals as detailed in paragraph 3.8, a Wireless Network IP enabled CCTV upgrade.

2.2 That Cabinet note the intention to explore and if cost effective enter into arrangements with business partners in respect of Option 2 as outlined in paragraph 3.16.

2.2 That Cabinet note CCTV's move towards a modern commercial business model, in line with the Civic Enterprise principles.

3.0 Detail

System & Service overview

3.1 The Council operates over 200 CCTV cameras from its Control room at Brent Civic Centre. CCTV cameras primarily make Brent Safer, giving confidence to the community but are also used for traffic and parking enforcement, housing and fly tip monitoring, environmental ASB, gathering public protection intelligence etc. Therefore

the Council operational reliance and resident safety on the systems are significant. Our vision for a safer, cleaner, greener Brent is directly linked to our CCTV going forward.

- 3.2 Operating costs, notably transmission and maintenance costs, are rapidly increasing. Brent's present CCTV infrastructure is not only using dated technology but is also falling apart due to lack of investment, with some cameras over 20 years old, despite only been designed to last 15 years.
- 3.3 Investing today would make immediate savings and also help the service to adapt to a more challenging economic environment. This would also open opportunities for income generation via monitoring CCTV for Registered Social Landlords, as well as other partner arrangements with neighbouring boroughs and private organisations to minimise any maintenance and management costs. Options to address possibilities of future shared services was also raised as a recommendation set by the Scrutiny Committee CCTV Task Group in their report published November 2015. At present, the service's analogue technology and infrastructure is too antiquated to allow these possibilities and options to be addressed.
- 3.4 The Council is committed to CCTV and MOPAC also view it as a priority, therefore the priority must be to develop a cost-efficient model. The existing system is increasingly unworkable, as costs have begun to exceed budgets. A basic replacement system would cost £1.84m. New digital cameras cost £19k each, which is a reduction of £26k over the previous analogue version and modern systems cost less to maintain.

Benefits

- 3.6 CCTV research and reviews have shown that Brent needs to update its analogue systems towards a digital 'IP enabled' system. Benefits include:
 - **Enhanced recording capabilities** - Increased intelligence and enforcement.
 - **Greater flexibility** - to move cameras and at minimal cost.
 - **Sharing services** - reducing transmission costs to become cost neutral.
 - **Increased income** - monitoring Registered Social Landlord (RSL) CCTV.
 - **Reduced maintenance costs** - new infrastructure requiring less maintenance.
 - **Increased community safety, increased environmental cleanliness** – positively affecting community reassurance.
- 3.7 The impact of CCTV operations are diverse and wide-spread, both keeping Brent residents safe, supporting criminal justice, the night-time economy, and generating income.

Upgrade Options

- 3.8 There are two main options available to complete the upgrade, Wireless and non-Wireless based technology.

Option 1 - Non Wireless IP Enabled: Upgrading area based cameras to digital enabled technology but reliant on cables to transmit data.

- Price includes 50 new cameras.

Option 2 - Wireless IP Enabled: Upgrading all Brent cameras but using our own Wireless network technology.

- Price includes 50 new cameras, an upgrade to 70 existing cameras to go wireless, as well as wireless infrastructure and backhaul links.

- 3.09 Both upgrade options include fibre optic cabling, upgrades to control room interfaces and all needed project labour. Projected timescales can be seen in Appendix 1. The proposal is to procure through a framework agreement established by Eastern Shires Purchasing Organisation.
- 3.10 **Wireless Benefits:** Moving towards a Wireless IP enabled system would remove the majority of the current largest cost to the CCTV budget. Current line rental costs with BT are £116k per year. Moving to a wireless system would save £100k per year. Having our own Wireless Network would also allow Brent to charge Registered Social Landlords, schools and other local businesses for excess wireless band. Currently no local authority has used the spare bandwidth for street Wi-Fi but technologically it is possible and options are being examined to further benefit the capital investment and develop the added social value which this upgrade could present.
- 3.11 **Wireless Considerations:** Future building development could affect transmission and connectivity of the wireless network. The Council would need to install wireless node transmitters on top of all tall buildings however this could not be imposed on any planning application, more encouraged as part of the initial planning process and part of the social value; with added legal clauses to ensure we are allowed access at least.

Costs

- 3.12 Savings on Operating Costs:

Savings	Option 1 (£'000s)	Option 2 (£'000s)	Difference (£'000s)
Maintenance	15	100	85
Line Rent	30	30	0
Total	45	130	85

- 3.13 Capital costs on two options:

Capital Costs	Option 1 (£'000s)	Option 2 (£'000s)	Difference (£'000s)
System Upgrade	1,800	2,063	263
Additional Cameras	190	190	0
Project Manager (0.5FTE)	40	40	-
Total	2,030	2,293	263

- 3.14 For an additional £263k one-off cost, Option 2 delivers £85k extra revenue savings. Currently, the service has 10 readily deployable cameras used to target crime hotspots. However, the service needs greater flexibility and 10 additional cameras would allow it to be more targeted in its operations and bring in business from RSLs.
- 3.15 **Complimentary Staffing Model:** There are limited gains to upgrading the system, without moving to a 24 hour model. The overtime budget would be deleted to offset additional lower graded staff costs. £63k internal growth could be afforded from the savings made elsewhere. No changes are planned to affect the current staff.
- 3.16 **Future Opportunities:** Upgrading and transforming the infrastructure would allow the service to share control room facilities with other organisations with the eventual aim of a large shared service. In the immediate future, this would mean sharing space in the Civic Centre with other organisations and gain that income. Future options to possibly monitor our CCTV remotely from another Local Authority. The proposal also includes sufficient band width to monitor an additional 100 cameras, without spending

anything further on network costs. We could monitor an additional 100-200 cameras if done remotely, and those income generation opportunities are built into the proposed costs. See Appendix 2 for potential income generation based on these options.

- 3.17 **CCTV Location Review:** Camera locations will be reviewed at the point of upgrade approval and upgrade implementation. This is to ensure surveillance covers the correct locations based on the evidence base presented and adhering to the Surveillance Camera Code of Practice. This will be determined via Police data, CCTV incident data and Council ASB resident referral data. Deployable cameras will be available for flexible reactive response for changing hotspot issues; deployable via the Local Joint Action Group and CCTV Panel decisions. Current camera locations can be view electronically via Appendix 3, or via the Brent Council website.

Staged Business Model

- 3.18 There are many possible benefits and opportunities but they all require this initial capital investment.

Stage 1: Upgrade all System infrastructure and interface, switch to 24hr coverage for better use of upgraded system and more commercially attractive model.

Stage 2: Share wireless network available space with local organisations and RSLs, gain income for monitoring and managing. Potential for sharing street Wi-Fi.

Stage 3: Look at a shared service model onsite or off site, via a shared control room or managing other local authorities/partners CCTV. Gain income for shared space and increase savings though potential of shared service.

Risks

- 3.19 There are a number of risks attached to not upgrading our CCTV systems. Without an upgrade our CCTV systems will fail. This may then impact on public reassurance, the Council's reputation, increased crime and ASB, and a reduction on community safety.

4.0 Financial Implications

- 4.1 The total budget required for the preferred option is £2.3m. This includes £0.190m for 10 additional cameras and £0.040m for a project manager to manage the upgrade.
- 4.2 It is important to recognise that neither option pays for itself. Option 2 will cost £2.3m and it would cost £0.060m to service the debt alone without paying off the principal. The savings exceed this, but are largely offset by growth required to make the new model work. This is not to dispute the potential for future benefits. The initial investment and change to the operating model as identified in Stage 1 (3.20) is designed with the clear aspiration of achieving further savings and community benefits in stage 2 and stage 3. However, there are no certainties.
- 4.3 The difference between the two options is the £0.263m. The basic option saves £0.045m in running costs, while option 2's Wi-Fi-enabled model saves £0.130m in running costs. Both options assume a net £0.063m increase in staffing costs to operate a 24-hour model, but the Wi-Fi enabled model would reduce the service budget, even if a broadly equivalent growth in capital financing was necessary.

5.0 Legal Implications

- 5.1 If Cabinet approve Recommendation 2.1, it is noted from paragraph 3.09 that the intention is to procure equipment using a framework agreement established by Eastern Shires Purchasing Organisation (ESPO), namely the Security and Surveillance Framework Agreement. In accordance with Contract Standing Order 86(d)(ii), Chief Legal Officer's confirmation that participating in the Framework Agreement) is legally permissible will be required. On receipt of confirmation, the intention would be to operate a mini-competition amongst providers on the framework agreement. As the estimated value of the contract is in excess of £500k, Cabinet approval would be required for any award.
- 5.2 Should the Council decide to share control room and control room facilities in the Civic Centre with external parties/authorities, it would be necessary for the Council to grant the external party a licence and in the event that the Council wishes to install wireless node transmitters on buildings owned by third parties the Council will need to enter into appropriate agreement/leases with the relevant building owners/third parties.
- 5.3 The intention is for CCTV to move to a modern commercial business model. Depending on the commercial arrangement proposed, further Cabinet approval may be required.
- 5.4 There are various statutory provisions regarding trading and Officers will need to have regard to these before entering into any arrangements with partners. For example, the Local Authorities (Goods and Services) Act 1970 permits local authorities to supply goods and materials and provide administrative and technical services to other public bodies on a commercial basis. In addition, the Local Government Act 2003 introduced a general power to charge and trade. The power to charge is unrestricted and applies in all cases where there is no specific power to charge for the provision of a service. All charging is essentially on a cost recovery basis. The power to trade is more restrictive and must be carried out through a company. The Localism Act 2011 introduced the power of general competence but charging and trading are expressed as limitations on the general power of competence and only allow the charging of discretionary services on a cost recovery basis. Section 4 of the Localism Act does allow trading in areas that are not connected to the performance of its functions so the local authority could engage in trading outside its own area.

6.0 Equality Implications

- 6.1 There are no immediate diversity implications but if the Council entered into a shared service arrangement, a full assessment would need to take place.

7.0 Staffing/Accommodation Implications

- 7.1 A joint Control Room would have both staffing and accommodation implications. This option is currently under review with Wembley Stadium and Wembley Park directors.

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