

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet

Date: 15/05/2023

Subject: Procurement strategy - Contract for Unattended CCTV camera system

Report of: Councillor Sharon Holder – Cabinet Member for Public Realm

Report author: Mark Fanneran – Head of Service Development

Responsible Director: Bram Kainth – Strategic Director of Environment

SUMMARY

This report sets out the procurement strategy for Unattended CCTV goods and services. The council has an opportunity to leverage the new technological advances in camera technology to change the target operating model for enforcement, improving operational efficiency.

Unattended CCTV is relatively new technology which rapidly changes, and each supplier has honed their products to solve specific problems. There are limited suppliers on the market and no framework contracts which offer choice for the council on the best technology fit for each situation. We aim to open this framework to the other London boroughs so that we can all benefit from reduced cost of supply.

RECOMMENDATIONS

1. To approve the procurement of a framework contract for an unattended CCTV camera system set out in this strategy.
 2. To note that the contract will be for 4 years, and the annual tender value will range from £0 to £15 million per participating Borough.
-

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Unattended cameras can be used as a tool to help reduce emissions and to support cleaner air for the benefit of all residents.
Creating a compassionate council	We have already seen that using the data from Intelligent unattended

	<p>cameras can help us reduce multiple penalties on drivers and resident visitors who may have been caught out multiple times on new schemes in one day. This has allowed us to apply discretion due to the use of reports from such cameras and then being able to signpost drivers to obey the rules or give them information to aid them to avoid penalties.</p>
Doing things with local residents, not to them	<p>Intelligent unattended cameras allow some schemes to use permitted lists on the cameras which can allow option such as letting residents move freely around the Borough. Such a system in use as an experiment is the SW6 TCPR scheme. This assists us not to unfairly penalise residents or their visitors when trying to solve traffic issues where legislation allows such an exemption.</p>
Being ruthlessly financially efficient	<p>Switching to unattended cameras is cost effective as they are more efficient and require less infrastructure. They can capture more potential contraventions than officers and can be operated without the need for a dedicated control room, thus improving service resilience.</p> <p>Having a hosted server system option opens far cheaper data holding costs outside of LBHF and adds to further resilience due to pioneering infrastructures such as Amazon AWS which are very easily “scaleable” in data size, needs and security. This means simpler solutions and less bandwidth pressure on the LBHF system and less complexity.</p>
Taking pride in H&F	<p>Using such pioneering schemes such as the SW6 TCPR to help lower pollution and congestion is something we can rightly be proud of in line with our aim to meet the 2030 targets that have been set nationally and locally.</p> <p>Monitoring traffic related contraventions leading to increased compliance and safety is also something to be proud of in H&F.</p>
Rising to the challenge of the climate and ecological emergency	<p>The use of unattended cameras can aid any agreed attempts to reduce traffic</p>

	congestion and pollution in specific areas.
--	---

Financial Impact

Any future costs, that may be incurred through contract procurement using the framework, are expected to be covered by current revenue budgets within parking services. It is expected that use of unattended cameras will lead to efficiencies to ensure that these are self-financing. There is no minimum spend required and before each call off it will be ensured that there is sufficient budget in place.

The proposed leasing arrangement will help to manage financial risks in relation to investing in rapidly changing technology in relation to maintenance, upgrades and obsolescence as those risks remain with the contractor.

As this will be a call off framework contract and will be open to other authorities to use, the annual tender value will range from £0 to £15 million per borough.

The Council will seek to recover administration costs incurred by recharging other Boroughs that make use of the framework. We envisage at this stage that the administration of the framework will be done by Parking Services staff and contained within existing parking budgets.

Gary Hannaway, Head of Parking Finance, 28/10/2022

Verified by Sukvinder Kalsi, Director of Finance, 02/05/2023

Legal Implications

The Council wishes to procure a 4-year multiple supplier framework for unmanned CCTV hardware and software. The proposed framework is a 'public contract' under the Public Contracts Regulations 2015 ('PCR'). The framework has an estimated potential value of £15m per year over the life of the framework and any call-off contracts awarded under it. This value is above the threshold at which a full EU procurement is required under Part 2. Therefore, the Framework may only be concluded if a call for competition is published in Find a Tender and one of the procurement procedures is used, such as the open procedure set out in this report. The Council wishes to make the framework available to other local authorities. In order to achieve this, the identities of all of the contracting authorities entitled to call-off under the framework must be included in the procurement documents.

The maximum length of each call-off is to be 7 years which is similar to the length of some CCS frameworks. In any event, the length of the call-offs must 'be appropriate to the purchases in question and should reflect value for money considerations.' (CCS Guidance on Framework Agreements October 2016).

The award of the framework must be published in Find a Tender. The standstill period must be observed before entering into the framework agreement.

There are additional relevant provisions in the Council's Contract Standing Orders at 36.2. and 36.4 as to the content of the Procurement Strategy, all of which have been complied with in this report. In addition, it is noted that while the Standing Orders prescribe a 60:40 split (quality to price), this report proposes reversing that split without justifying the reversal. Therefore, when it comes to the report recommending award of the Framework, the report must set out the reasons for deviating from the CSO recommended quality to price split.

Social Value – CSO 39.4 states that 'Before beginning the tendering process, the Contract Officer responsible for it must, in a manner commensurate with the complexity and value of the project ...have due regard to the Council's Social Value responsibilities under the Public Services (Social Value) Act 2012 and Public Sector Equality Duty arising from the Equality Act 2010 and other relevant legislation.' 'Social value must form part of evaluation of the award criteria for any High Value Contract. A minimum of 10% of the overall score shall be attributed to social value in accordance with the Council's Social Value Policy' (CSO 37.2).

Given the value of the Framework, the Procurement Strategy must be approved by Cabinet (CSO 18.1). This report satisfies that requirement.

Finally, as the procurement strategy concerns a contract with estimate value in excess of £300,000 in value it is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council's website.

Joginder Bola, (Senior Solicitor (Contracts & Procurement), 02/05/2023

Background Papers Used in Preparing This Report

None.

DETAILED ANALYSIS

Proposals and Analysis of Options

1. This report sets out the procurement strategy for Unattended CCTV goods and services.
2. The council has an opportunity to leverage the new technological advances in camera technology to change the whole target operating model for enforcement, improving operational efficiency.
3. Unattended CCTV is relatively new technology which rapidly changes, and each supplier has honed their products to solve specific problems. There are limited suppliers on the market and no framework contracts which offer choice for the council on the best technology fit for each situation. We aim to open this tender to the other London boroughs so that we can all benefit from reduced cost of supply.

4. The Parking Service currently uses a digital enforcement solution for monitoring, recording, and processing CCTV related civil enforcement evidence from the existing Public Safety and Traffic CCTV system.
5. The service currently uses 58 pan, zoom, tilt cameras covering 74 sites out of which 36 are busy. There is little scope to increase the PZT camera coverage due to cost and complexity.
6. With the introduction of unattended cameras, there will be the scope to monitor up to 136 sites.
7. The current solution provided by Yunex Ltd, makes use of existing pan, zoom, tilt cameras and is connected to Yunex Ltd's managed onsite recording servers. The potential contraventions are witnessed in real time by officers sitting at fixed CCTV room consoles for hours, with the footage initially being flagged by the officers.
8. The contraventions are then automatically sectioned from the recorded video files, before being transmitted to the server and database for review later.
9. Advancement in technology means unattended cameras can now be used to capture potential contraventions for defined periods of time and upload the footage to the cloud. This means the cameras do not have to be watched by staff in real time, nor the recorded footage stored onsite.
10. Potential contraventions are captured automatically and reviewed by officers at a later date. Upon review, officers confirm if a contravention has occurred and issue a Penalty Charge Notice by post.
11. Switching to unattended cameras is cost effective as they are more efficient and require less infrastructure. They are more resilient and less susceptible to issues resulting in system unavailability. They can also capture more potential contraventions than officers and can be operated without the need for a dedicated control room improving service resilience.
12. Officer time spent monitoring the current cameras can be saved or diverted to other tasks, as best practice using pan, zoom, tilt cameras dictates that the review element must be carried out by a human.
13. As the existing system requires onsite infrastructure and a control room, it requires staff attendance in a shift pattern to operate it. The unattended system enables homeworking, removing the need for shift working and associated costs.
14. Reviews and processing contraventions can be fully done from home. This greatly reduces the need to be in the CCTV room and mitigates against the risk of a pandemic or other event reducing or limiting access to the CCTV room. This therefore substantially increases the Service's resilience and reduces the risk of a loss of service overall.
15. The Unattended Intelligent Cameras are also re-deployable if required, opening a long-held aspiration of being able to react to residents and stakeholders'

concerns which we cannot easily do with pan, zoom, tilt static cameras due to expense and infrastructure limits.

Reasons for Decision

16. Permission is required to go ahead with a procurement exercise that will give the Council the option to replace all or part of the existing manned cameras with unattended cameras for enforcement purposes.
17. An unattended CCTV camera system will contribute to reduced operating costs. The existing contract for pan, zoom, tilt cameras is coming to the end of life and does not cover unattended cameras. There are no available framework contracts to draw down from.

Contract Specifications Summary

18. This contract will be for hardware and software services relating to the provision of unattended CCTV cameras for enforcement and monitoring of any current or future moving traffic and parking related contraventions.
19. The term of the framework contract will be for four (4) years. With individual call off contracts of up to seven (7) years. A specification document has been prepared detailing the Council's requirements.

Procurement Route Analysis of Options

20. We are not aware of any available framework contracts for this, and we will be looking to publish a tender. As it is a niche market, we will be following an open tender procedure route. This should be a quicker process.
21. This will be tendered as a framework contract naming the other London local authorities. Eight other London Local Authorities have already expressed an interest in the framework.

Market Analysis, Local Economy and Social Value

22. It is a niche market that typically involves national or international companies.
23. This is a framework contract with no guarantee of call off from the contract. For each contract over £100k either directly awarded or awarded via mini competition, the supplier will be invited to propose social value measures and method statements as to how these measures will be delivered before the contract is awarded. These KPIs will be included in their contract. The social value element of the bid will account for 10% of the overall score (quality and price making up the remaining 90%). In both scenarios, the proposed measures will amount to at least 10% of the price of the contract or the proposal cannot be accepted.

Risk Assessment and Proposed Mitigations

24. To mitigate this, we need to ensure that the specification is sufficiently detailed

and suitable tests carried out.

Timetable

25.

Key Decision Entry (Strategy)	23/08/2022
Contracts Assurance Board (Strategy)	02/11/2022
Cabinet Sign off (Strategy)	15/05/2023
Find a Tender Service Notice (Minimum 35 days)	29/05/2023
Closing date for clarifications	02/06/2023
Closing date for submissions	09/06/2023
Evaluation of Tenders	12/06/2023 – 19/06/2023
Key Decision Entry (Award)	26/06/2023
CAB (Award)	03/07/2023
Cabinet Member (Award)	07/08/2023
Find a Tender Service Contract Award Notice	14/08/2023
Contract engrossment	14/09/2023
Contract mobilisation and implementation	16/10/2023 – 31/03/2024
Contract Commencement date	01/04/2024

Selection and Award Criteria

26. Tenders will be evaluated on a 60% weighting for price and 40% weighting for quality. The rationale for this comes from the advice of the programme team that this is a commodity service with all providers delivering a comparable service, hence the variance (opposite ratio) from CSOs.
27. The 60% on price will be calculated based on the rates submitted by the tenderer in the form of tender and pricing schedule.
28. The 40% on quality will be evaluated based on the tenderer's response to the method statement.
- 29.

Quality Tier 2 Criteria/Method Statement	Weighting % (Tier 2)
Provision of quality Services	40%
Staff experience	15%
Working with Stakeholders and Other Contractors	10%
Social Value	25%
Additional Services	10%

Contract Management

30. The Head of Service Development (Parking Services) will manage the contract including the social value element.
31. The relevant service levels are included in the specification document. Contract performance will be assessed monthly and quarterly meetings held with the

contractor.

32. KPIs - The Council will require a minimum service availability of 99.5%.

Priority Level	Nature of the Fault	Rectification time from the point of notification
1	System or major element of the system unavailable	2 Hours
2	Faults which place a material restriction on specific functions	2 days
3	Faults causing only operational irritation not preventing any function	14 days
4	Minor faults that do not affect the operation or function of the system	6 months

33. No annual inflationary uplifts will be applied.

Equality Implications

34. There are no equalities implications. The introduction and use of unattended cameras is not expected to have a particular impact on any protected characteristic. When introduced they will either replace existing manned cameras or will be introduced where there are currently no cameras. Any enforcement action will be carried out against contravening vehicles. We will ensure that the software chosen complies with accessibility regulations.

Risk Management Implications

35. Technological advances and innovation in the CCTV industry enable the service to review financial and non-financial benefits from greater automation. This may require a thorough evaluation of a number of comparable systems, references and an assessment of the impact to the current workforce and internal resilience requirements. A system would need to demonstrate a high level of performance, accuracy, resilience and security and compliance with industry standards. Procuring a framework, with potential involvement of other London boroughs, is likely to secure competitive pricing and economies of scale, which is in line with the objective of being ruthlessly financially efficient.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 14 October 2022

Climate and Ecological Emergency Implications

36. The use of unattended camera solution will be suitable and beneficial should the Council wish to enforce emissions-based restrictions or take enforcement action aimed at reducing traffic congestion. The use of unattended cameras will also result in carbon savings when compared to using mobile CCTV enforcement vehicles.

Implications verified by: Hinesh Mehta, *Head of Climate Change*; 07960470125, 18 October 2022.

ICT (required for any changes to IT systems)

DIGITAL SERVICES & INFORMATION MANAGEMENT IMPLICATIONS

1. There are future IT implications highlighted as part of the future procurement process. Therefore, Digital Services should be consulted on these to ensure that any IT requirements (e.g. integrations with H&F systems) are delivered in a timely fashion and in compliance with our standards and processes. Going forward, it is important that Digital services continue to work closely with the services to ensure that a technically feasible solution is delivered that is in alignment with the digital and information strategy.
2. IM implications: a Data Privacy Impact Assessment (DPIA) should be carried out to ensure that all the potential data protection risks around the unattended CCTV goods and services are properly assessed with mitigating actions agreed and implemented.
3. In addition, a (Cloud) Supplier Security Questionnaire(s) should be completed, to ensure that all the potential data protection and information security risks around the unattended CCTV goods and services are properly assessed with mitigating actions agreed and implemented.
4. Any contracts arising from this report will need to include H&F's data protection and processing schedule. This is compliant with UK Data Protection law.
5. Any future supplier will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training.

Implications verified/completed by: Pierre Rogier, Strategic Relationship Manager, Digital services, tel 07391 734087, 18 October 2022.

Local Economy and Social Value

It is a requirement that all contracts let by the council with a value above £100,000 provide social value commitments that are additional to the core services required under the contract. In addition, the evaluation of social value should account for a weighting of a minimum of 10% of the overall score.

Paragraph 24 confirms this will be complied with. Although there is no guarantee of any contract being awarded, for each contract over £100k either directly awarded or awarded via mini competition, the supplier will be invited to propose social value measures and method statements as to how these measures will be delivered before the contract is awarded. These KPIs will be included in their contract.

The social value element of the bid will account for 10% of the overall score (quality and price making up the remaining 90%). In both scenarios, the proposed measures will amount to at least 10% of the price of the contract or the proposal cannot be accepted.

Implications completed by Paul Clarke, Social Value and Economic Development S106 Officer, Economic Development, 26 October 2022.

Consultation

None

LIST OF APPENDICES

None