

Notice of Non-key Executive Decision

Subject Heading:	<i>Procurement of CCTV cameras and associated equipment for the enforcement of parking and moving traffic contraventions</i>
Cabinet Member:	<i>Councillor Osman Dervish</i>
SLT Lead:	<i>Dipti Patel</i>
Report Author and contact details:	<i>Mary Dowdye – 01708 433745 mary.dowdye@havering.gov.uk</i>
Policy context:	<i>Street Management</i>
Financial summary:	<i>The cost of entering into a contract for the purchase of twenty-two CCTV cameras and associated equipment, to facilitate the enforcement of parking and road traffic restrictions, is likely to be in the region of £0.450m. The procurement of the equipment will be funded from the capital budget (A2388 Moving Traffic Contraventions).</i>
Relevant OSC:	<i>Environment</i>
Is this decision exempt from being called-in?	<i>This is exempt as it is a non-key decision to be made by an authorised officer.</i>

Non-Key Executive Decision

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Assistant Director Environment's agreement is sought for CCTV cameras (attended and unattended) and associated equipment to be procured, by way of a mini competition, from Crown Commercial Service (CCS) Framework - Traffic Management Technology 2 RM1089.

AUTHORITY UNDER WHICH DECISION IS MADE

Through Delegated Authority to Assistant Director through Section 3.4 to Part 3 to the Constitution.

STATEMENT OF THE REASONS FOR THE DECISION

Following the recent approval from the Council's internal Procurement Checkpoint Panel, agreement is now sought from Assistant Director Environment to procure by way of a mini competition using CCS Framework - Traffic Management Technology 2 RM1089:

1. Twenty unattended CCTV cameras and associated equipment;
2. Two attended CCTV cameras and associated equipment for new CCTV enforcement vehicles (yet to be renewed via Passenger Transport Services);
3. An interface which facilitates the download of data from the attended equipment sited within the CCTV enforcement vehicles to the back office systems.

In September 2015, the Authority adopted the powers to enforce moving traffic contraventions (MTCs). This enforcement initiative was initially carried out by using two mobile CCTV enforcement camera vehicles to monitor problematic locations. However, in November 2016 as part of a trial project the Council commenced a phased installation of leased static unattended CCTV cameras. The implementation of these leased cameras has increased the scope of the authority's enforcement capabilities. The cameras have helped to increase compliance at a number of locations and the decision was made to undertake a competitive exercise to purchase cameras to ensure that enforcement capacity is ongoing.

Current leasing arrangements cost in the region of £14,000 per month (equivalent to £168,000 per annum). When the leased cameras were procured in September 2016, several quotes were obtained from different providers at that time. Subsequent informal discussions with suppliers on likely purchase prices also provided a helpful benchmark in understanding this specialist market and determining the estimated total spend for this full procurement exercise.

Once cameras are purchased, there is estimated to be a saving in the region of £90,000 per annum by the Council owning the cameras compared to the current leasing arrangement. Camera enforcement is undertaken to improve traffic flow and

Non-Key Executive Decision

road safety and not for financial reasons but the savings generated by purchasing rather than continuing to lease the cameras demonstrates that it is the better value route for the Council to pursue.

There is also an additional financial implication to the Council in undertaking camera enforcement which is worth noting. In 2016/17 camera enforcement generated £600,000 in income and the current financial year figure (up until the end of December) is c. £1.3million. Although not a driver for undertaking this enforcement, it is important to note that the investment will likely generate more money than it costs.

As the specification for moving traffic cameras is precise and well established, soft market testing of the cameras themselves was not required.

It is anticipated that the procurement exercise via CCS Framework - Traffic Management Technology 2 RM1089 will be completed and the newly procured cameras will be installed around April 2018.

The Council's processes have been fully complied with when shaping this procurement exercise. Purchasing the Moving traffic cameras will provide an ongoing saving compared with leasing and ensure that the enforcement of offences can continue which will improve traffic flow and road safety.

OTHER OPTIONS CONSIDERED AND REJECTED

The options considered were either an existing framework contract or the OJEU process. The existing framework contract option was chosen because by using this framework the Council will reduce the time to appoint a supplier and thereafter install the equipment; all major suppliers are named on the framework.


PRE-DECISION CONSULTATION

Not applicable.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Mary Dowdye

Designation: Project Manager

Signature: 

Date: 5th January 2018

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a duty to manage traffic under the Traffic Management Act 2004 and wish to procure CCTV cameras and associated equipment from an OJEU compliant Crown Commercial Services Framework - Traffic Management Technology 2 RM1089

Works and services will be procured by holding a mini competition representing best value to the Council. Officers wish to enter into a 5 year contract with a total value being 758K. Contracts with a total value of over £150,000 must be made under the common seal of the Council in accordance with rule 17.2 of the Contract Procedure Rules.

FINANCIAL IMPLICATIONS AND RISKS

The financial implications are as follows:

CCTV cameras (attended and unattended) to be procured by way of a mini-competition using the Crown Commercial Service (CCS) Framework - Traffic Management Technology 2 RM1089. The twenty-two cameras and associated equipment are estimated to cost £0.450m, which will be funded from the capital budget (A2388 Moving Traffic Contraventions). This figure will normally incorporate the first year's support, maintenance and communications costs. However, in the second year the charges for support, maintenance and communications are likely to be approximately £3.5k per camera, which equates to £0.077m annually for the twenty-two cameras. These annual charges (support, maintenance and communications) will be funded from the revenue budget (A24670 On-Street Parking). The expected value of the contract when all known costs are taken into consideration over a five years period is approximately £0.758m (purchase price and support, maintenance and communications charges).

The current annual costs incurred by the Council in relation to the enforcement vehicles and the images recorded are approximately £0.046m (when all quantifiable costs are included). Implementing a new solution, which eradicates the current processes, potentially provides an initial saving of £0.137m rising to £0.229m over 5 years (assuming that the two years extension is activated).

It is also worth noting that if the current supplier takes part in the bidding process and is successful that the existing leased cameras could be purchased. This would mean that after taking into account the depreciation of the equipment; the saving from not project managing new installations; the authority's requirement for a support, maintenance and communication contract that there would be indicative savings in the region of £0.200m based upon the projected purchase price for the unattended cameras and associated equipment.

Non-Key Executive Decision

All figures shown in millions						
	Yr 1	Yr 2	Yr 3	Yr 4 (Extention)	Yr 5 (Extention)	Total
Estimated costs						
Capital						
Estimated purchase price of 22 cameras	0.450					0.450
Revenue						
Support, maintenance and Communications		0.077	0.077	0.077	0.077	0.308
Total Estimated Costs	0.450	0.077	0.077	0.077	0.077	0.758
Funding						
Capital code A2388	0.450					0.450
Revenue Code A24670		0.077	0.077	0.077	0.077	0.308
Total Identified funding	0.450	0.077	0.077	0.077	0.077	0.758
Net	0.000					

The above estimates are subject to the outcomes of the tender process linked to this decision. The service will aim to maintain costs within the identified budgets and through competitive tender reduce costs in comparison to the estimate shown herein.

If the tender process results in increased costs the service will consider reducing the specification of the tender to mitigate any anticipated overspend.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

No human resources implications and risks have been identified for this report.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

There are no obvious equal opportunities implications but should any arise they will be managed in accordance with the Council's appropriate policy.

BACKGROUND PAPERS

Not applicable.

Non-Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Proposal NOT agreed because

Details of decision maker

Signed



Name: Dipti Patel

CMT Member title: Assistant Director Environment

Date: 12/1/18

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 12/1/18

Signed



