

Notice of KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix 1 is not available for public inspection as it contain(s) or relate(s) to exempt information within the meaning of paragraph 3 and 5 of Schedule 12A to the Local Government Act 1972. It is exempt because it refer(s) to information relating to the financial or business affairs of any particular person (including authority holding that information) and information in respect of which claim to legal professional privilege could be maintained in legal proceedings, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	Approval to award the contract for Support, Supply, Installation, and Maintenance of CCTV cameras for enforcement of Moving Traffic contraventions
Cabinet Member:	Councillor Osman Dervish, Cabinet Member for Environment
SLT Lead:	Barry Francis, Director of Neighbourhoods
Report Author and contact details:	Jo Green Parking Manager jo.green@havering.gov.uk
Policy context:	Connections: Improving roads and pavements
Financial summary:	The capital cost is anticipated to be £2.3m but will not exceed £4.0m for the purchase of equipment, this is to be funded from capital as part of an MTFS

Key Executive Decision – Part Exempt Report

	<p>bid identified in the Council's budget paper 3 March 2021.</p> <p>The ongoing maintenance and support will be funded from revenue budget A24500. This is anticipated to be £2.1m based on an additional 25 cameras per annum cumulatively over 5 years including the costs for the optional extension of 2 years.</p>
Reason decision is Key	<p>(i) Expenditure in excess of £500,000; and</p> <p>(ii) Likely to have a significant effect on two or more wards</p>
Date notice given of intended decision:	November 2021
Relevant OSC:	Environment
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

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

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

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Director of Neighbourhoods is asked to approve:

- The award of a contract to supply, install and maintain and support CCTV cameras for Moving Traffic contraventions to Openview Security Solutions Ltd commencing on 4 February 2022 for a term of five years with the option to extend for two years at an estimated value of £4.4m.

AUTHORITY UNDER WHICH DECISION IS MADE

Power to authorise the award is delegated to members of the Senior Leadership Team Under Part 3 ([Responsibility and Functions], Paragraph 3.3, Powers of the Senior Leadership Team of the Council's Constitution as follows:

Contract Powers

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000.

STATEMENT OF THE REASONS FOR THE DECISION

Background

London Borough of Havering requires a CCTV contract which is cost-effective, robust, innovative and adaptable to the increasing needs of the CCTV parking enforcement team. This contract will enable the Council to expand the CCTV parking enforcement network to manage traffic flow enabling people to travel round the borough quickly and safely reducing congestion on the roads, which will in turn improve air quality.

The current contract does not provide for any further development or expansion of the CCTV infrastructure. This means the Council are unable to deliver any additional CCTV enforcement cameras using the incumbent supplier.

The Council seeks to award a contract for an initial term of 5 years with an option to extend by up to a further 2 years.

Tendering Process

The Executive Decision dated 21 May 2021 provided authorisation for the Council to use a framework to procure a CCTV system for the purposes of enforcing Moving Traffic contraventions.

The contract was procured using the ESPO Framework, agreement No.628_19 for the Supply of Security & Surveillance Equipment & Services Lot 8, which is specifically for

Key Executive Decision – Part Exempt Report

Automatic Number Plate Recognition (ANPR) cameras. A further competition was carried out through the framework and this report seeks approval to award the contract to the successful bidder, Openview Security Solutions Ltd.

There are 5 suppliers on Lot 8 of the framework and all were invited to tender. The Council received two high quality submissions.

Bidders were asked to provide responses to 9 method statement questions which were evaluated by 4 evaluators and a consensus score agreed.

In order to determine which supplier offered the most economically advantageous tender (MEAT), an annual cost model was adopted. Bidders were asked to submit pricing for the supply of cameras, maintenance service, software & infrastructure and miscellaneous costs. Bidders were also asked to provide prices for additional services which may be required later in the contract e.g., pollution sensors, these additional costs did not form part of the price evaluation.

A schedule of rates will ensure that the Council receives value for money throughout the term of the contract. This contract does not tie Havering into proprietary equipment so enables the Council to upgrade to the latest equipment as technology evolves to provide innovative solutions.

The evaluation model for quality and financial evaluation were weighted in accordance with Table 1 below.

Table 1

Financial	
1. Cameras	20%
2. Maintenance	20%
3. Software & Infrastructure	4%
4. Miscellaneous costs	16%
Cost sub-total	60%
Fitness for purpose including quality	
1. Social value	4%
2. Risk	4%
3. Environmental	4%
4. Future Proofing & Development	5%
5. Infrastructure	5%
6. Implementation	4%
7. Maintenance	5%
8. Support	4%
9. Survey & Implementation	5%
Quality sub-total	40%
Total	100%

Following the evaluations it was agreed that Openview Security Solutions Ltd offered the most economically advantageous tender (MEAT) based on the bids provided. The procurement exercise delivered two high standard bids and the evaluation team felt confident that either of the suppliers would be able to deliver the service required. The

Key Executive Decision – Part Exempt Report

other bidder demonstrated a slightly higher level of quality in their method statement bid responses whilst Openview Security Solutions Ltd have offered a slightly cheaper solution. The combined pricing and quality scores put Openview Security Solutions Ltd in the position of winning bidder.

The supplier must be ready to implement the required solutions within 12 weeks of the commencement of the contract.

The actual expenditure is dependent upon the number of cameras installed and has been calculated using an estimate provided from relevant service areas for the number of cameras per annum. The cost for this contract is estimated to be £4.4m, which includes both capital and revenue spend. The capital spend is estimated to be £2.3m and the revenue estimated to be £2.1m over 7 years.

The costs in respect of support and maintenance will fall into revenue spend and the procurement of cameras and associated equipment into capital spend.

Prices will remain fixed for a minimum period of 60 months – commencing from the start date of the call off.

If the contract is extended prices will be negotiated based on a number of factors such as the increase in cost of raw materials/people costs but any increase will be no greater than CPI for the prevailing 12 months.

Efficiency Gains & Benefits Realisation

This contract will enable Havering to expand the CCTV parking enforcement network to manage the traffic flow allowing vehicles to travel around the borough quickly and safely reducing congestion on the roads. It will provide the opportunity to implement traffic schemes as required thereby improving safety and reducing the traffic. This will in turn contribute to an improvement in air quality.

The operation of the cameras will be regularly reviewed to report on levels of compliance achieved. All new schemes will be considered by Members through the Highways Advisory Committee. The Authority are required to report on CCTV operations as part of the annual report produced under the Traffic Management Act 2004 which must be made available to the public.

London Councils Transport & Environment Committee also monitor Authorities schemes in respect of the wider operation across London.

Social Value

Commitments from the recommended bidder are outlined in Appendix A of this report.

Environmental aspects

The bidder provided an in-depth response on how they will support the Council towards the government target of net zero by 2050; the details of the submission are included in Appendix A.

Key Executive Decision – Part Exempt Report

OTHER OPTIONS CONSIDERED AND REJECTED

Do nothing

This would mean that the Council would be unable to expand the CCTV parking enforcement network as the current contract does not provide the ability to procure additional cameras and equipment.

PRE-DECISION CONSULTATION

Cllr Dervish, Lead Member for Environment, Barry Francis, Director for Neighbourhoods, Nicolina Cooper, Interim Assistant Director for Public Realm, Gateway Review Group and Business Partners, Neighbourhoods Management Team

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

Name: Jo Green

Designation: Parking Manager



Signature:

Date:13/12/2021

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.

The Council has the power to enter into contracts under the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. The Council has the power under this section to agree to the proposals in the recommendations.

This report seeks approval to award the contract for CCTV cameras and associated equipment for the enforcement of traffic contraventions to Openview Security Solutions Ltd.

The value of the proposed contract is £4.4m over 7 years, which includes the optional extension of 2 years. The Public Contracts Regulations 2015 (as amended) (PCR) require contracts over the relevant threshold to comply with the Regulations. This is a mixed contract for supply of goods, services and works. The predominant element is for the supply of goods and services.

The Local Authority is a Contracting Authority for the purposes of the Public Contract Regulations 2015 (as amended) (PCR). The value of the contract is above the threshold for services of £189,330, therefore this Contract is subject to the full rigours of the Regulations. The body of this report confirms that the tender process has been conducted in accordance with the PCR and the Council's Contract Procedure Rules.

All Contracts with a value above £150,000 along with any collateral warranties must be executed under seal, this provides the Council with a limitation period of twelve years (CPR Rule 17).

The Legal team are available to assist with the drafting and sealing of the contract.

FINANCIAL IMPLICATIONS AND RISKS

The estimated value of the contract including capital and revenue spend is £4.4m. The capital costs are based on the installation of 25 cameras per annum over 5 years which total, a maximum of 125 by year 5. The revenue costs are based on the support, maintenance and data charges per annum for 25 cameras in year one increasing to potentially 125 cameras by year 5. Projected costs are set out Table 2 below.

Table 2

Key Executive Decision – Part Exempt Report

Year	Capital	Revenue
1	0.449	0.015
2	0.449	0.118
3	0.449	0.221
4	0.449	0.324
5	0.449	0.426
6 (optional extension)	£0	0.514
7 (optional extension)	£0	0.514
Total	2.245	2.132

As compliance is achieved, income from Penalty Charge Notices is likely to reduce and cameras will be relocated to new locations experiencing noncompliance.

The purchase of equipment will be met from capital funding up to but not exceeding £4.0m over 7 years (this includes a 2-year optional extension).

Support, maintenance and data charges will be met from any income derived from the issue of Penalty Charge Notices in accordance with Section 55 RTRA 1984.

As with any project, there is a risk of overspending but this risk will be mitigated by robust contract management along with budgets being monitored regularly and budget forecasting. It is anticipated that spend will be contained within the stated budget envelope.

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

The recommendations in this report do not give rise to any identifiable HR risks or implications that would affect the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

Key Executive Decision – Part Exempt Report

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

There are no direct health and wellbeing implications or risks arising from this report however the decision will ensure continued management of traffic flow enabling people to travel round the borough quickly and safely. This will reduce road congestion, which will, in turn, improve air quality with positive impact on health and wellbeing.

BACKGROUND PAPERS

None

APPENDICES

Appendix A	Tender scoring & evaluation	Exempt
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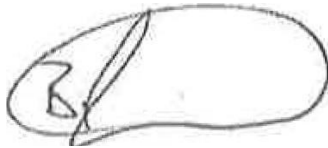
Part C – Record of decision

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

Details of decision maker

Signed

A handwritten signature in black ink, appearing to be 'B. Francis', is written over a horizontal red line.

Name: Barry Francis

Cabinet Portfolio held:

CMT Member title:

Head of Service title: Director of Neighbourhoods

Other manager title:

Date: 27th January 2022

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

Key Executive Decision – Part Exempt Report