

**REQUEST FOR DMPC DECISION – PCD 144**

**Title: Integration and Upgrade of Central London CCTV**

**Executive Summary:**

The MPS wish to procure CCTV support for five years together with the upgrade of its existing analogue circuits and cameras to digital technology. The contract will be a 'Direct Award' to BT PLC at a cost of £5.4m over the contract period (this includes contingency of £0.5m).

The timing of the CCTV support contract offers the MPS the opportunity to augment its CCTV infrastructure with operationally important cameras from Westminster City Council (WCC). The MPS wishes to accept the offer of 64 analogue CCTV cameras currently owned by WCC. The transfer and maintenance of the WCC cameras will be funded from a grant of up to £1.7m from WCC.

**Recommendation:**

The DMPC is asked to

1. Award a five year direct award contract for CCTV support and upgrade to BT PLC for the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2022 for a total cost of £5.4m (this includes contingency of £0.5m)
2. Accept the offer of full and absolute ownership of the existing analogue WCC CCTV cameras that have been identified as being important to future operations of the MPS within Westminster.
3. Note the timing of the CCTV support contract renewal provides an opportunity for the MPS to augment its CCTV capability with cameras that have been identified as being operationally important within the Westminster area.
4. Accept the offer of a grant of up to £1.7m from WCC and to set up an earmarked reserve for the grant funding to be drawn down as costs are incurred.
5. Approve the contingency sum of £0.5m, over the full term of the contract to allow for the upgrade of additional cameras and their support should the need arise during the term of the contract.
6. Provide approval for the MPS to enter into negotiations with WCC to allow any potential underspend of the WCC grant to be allocated to the pan-London CCTV Strategy project.

**Deputy Mayor for Policing And Crime**

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature**

*Sybil Under*

**Date**

*07/03/2017*

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. The MPS has rented specialist CCTV lines from BT since 1979. BT is now the only supplier of analogue CCTV services. The new contract will provide the opportunity to upgrade the cameras, as well as provide continuity of service, which is essential for operationally important services.
- 1.2. In July 2016, WCC decided to decommission their current CCTV network. A threat assessment of Westminster has highlighted the operational importance of a number of cameras. Thus identifying Westminster CCTV as a 'special case', which the MPS should consider to acquire.
- 1.3. The timing of the renewal of the CCTV support contract offers a route by which the MPS could migrate the WCC cameras into its estate. Following discussions with WCC it was agreed to transfer ownership of the operationally important existing analogue CCTV estate from WCC to MOPAC; upgrade the analogue cameras and network to digital with the existing MPS estate; and absorb them into the MPS estate, including increasing the capacity of the MPS data centre. WCC has agreed to provide grant funding of up to £1.7m to assist with this transfer.

#### 2. Issues for consideration

- 2.1. The existing contract is due to expire on 31<sup>st</sup> March 2017 and cannot be extended further. In view, of the specialist nature of these CCTV services, the support and upgrades can only be procured from BT. BT is the only supplier capable of supporting the current analogue CCTV circuits. Also, BT owns the Intellectual Property Rights to the existing circuits and exchanges.
- 2.2. These are discussed further in the Part 2.

#### 3. Financial Comments

- 3.1. The contract costs of £5.4m will be funded from existing resources for the MPS and from the £1.7m grant from WCC. The MPS's annual contract costs for line rental and camera maintenance will be £748k. The current annual contract cost for CCTV line rental is £1m. The MPS has achieved an annual saving of £252k on the current annual contract cost.

The WCC grant will be used as follows:

<b>Westminster grant funded costs</b>	<b>Total</b>
Total line rental and camera maintenance	£510,000
Initial connection rerouting	£645,000
Integration costs	£293,000
Contingency	£100,000
Unallocated	£152,000
<b>Total grant</b>	<b>£1,700,000</b>

- 3.2. The contract contingency of £500k will consist of £400k from MPS resources and £100k from the WCC grant.

3.3. There will be a potential underspend of £152k from the WCC grant. It is proposed this underspend should be allocated to the pan-London CCTV Strategy project costs. The MPS will make this request to WCC.

3.4. There will be no capital costs arising from this contract.

#### **4. Legal Comments**

4.1. The MOPAC has the power to enter into contracts and other agreements and acquire property that is calculated to facilitate the exercise of their functions under Section 7, Schedule 3 of the Police Reform and Social Responsibility Act 2011 and has the power to accept gifts of property in connection with the discharge of any their functions under Section 93 of the Police Act 1996. These powers enable MOPAC to enter into an agreement with WCC to accept full and absolute ownership of their CCTV cameras.

4.2. WCC has the power to make grants for police purposes to the MOPAC pursuant to Section of the Police Act 1996. This enables WCC to provide funding to the MOPAC necessary to upgrade and maintain the CCTV cameras transferred.

4.3. There will be a written agreement between WCC and the MOPAC for the transfer of the CCTV cameras and the grant.

#### **5. Equality Comments**

5.1. There are no new equality or diversity implications arising from this report regarding the upgrade of existing CCTV cameras and networks as opposed to the installation of any new cameras.

5.2. The MPS is undertaking a full review of all of its CCTV, including Privacy Impact Assessments.

#### **6. Background/supporting papers**

6.1. None.

**Public access to information**

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred ? NO

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **part 2** form – Yes

If yes, for what reason: EXEMPT under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011.

**ORIGINATING OFFICER DECLARATION:**

<b>Head of Unit:</b> The Head of Strategic Finance and Resource Management has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
<b>Legal Advice:</b> The MPS legal team has been consulted on the proposal.	✓
<b>Financial Advice:</b> The Head of Strategic Finance and Resource Management has been consulted on this proposal.	✓
<b>Equalities Advice:</b> No Equality and Diversity issues identified.	✓

**OFFICER APPROVAL****Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature

R. Lawrence

Date

07/03/2017

## INTEGRATION AND UPGRADE OF CENTRAL LONDON CCTV

Investment Advisory Board – 09 February 2017

Report by ACSCO on behalf of the Commissioner

### SUMMARY

The Metropolitan Police Service (MPS) wishes to renew its CCTV maintenance and support contract with BT PLC for a further five-years. This contract will facilitate the upgrade of a number of its existing analogue circuits and cameras to digital technology, in-line with the MPS CCTV strategy. Extensive contract renegotiations with BT have achieved an annual saving of £250k on current CCTV Maintenance costs.

The timing of the contract renewal has presented an opportunity for the MPS to augment its CCTV infrastructure with operationally important cameras from Westminster City Council (WCC). This transfer and maintenance of WCC assets will be fully funded by a grant from WCC.

Deputy Mayor of Policing & Crime (DMPC) approval is required, in accordance with the Mayor's Office of Policing & Crime's (MOPAC) Scheme of Consent and Delegation, for the award of the contract to BT, the acceptance of the grant from WCC and the transfer of other associated WCC CCTV assets.

### A. RECOMMENDATIONS - That the Deputy Mayor for Policing and Crime:

1. Award a 5-year CCTV maintenance contract to BT PLC in support of MPS business-as-usual operational requirements;
2. Award the contract via a 'Direct Award', Crown Commercial Service (CCS) Network Services Framework (RM1045) for the period 1st April 2017 to 31st March 2022 for a total cost of £4.9M from the Specialist Crime and Operations (SCO) revenue budget.
3. Note that the timing of the contract renewal provides an opportunity for the MPS to augment its CCTV capability with cameras that have been identified as being operationally important within the Westminster area;
4. Note that negotiations have been ongoing with Westminster City Council (WCC) and the transition of a number of key-CCTV cameras from WCC to the MPS is to be fully funded by a grant offered by WCC.
5. Accept a grant of (up to) £1.7m from WCC, to be transferred into appropriate MPS budgets. The monies shall be ring-fenced and drawn-down to cover all costs associated with upgrading the identified WCC cameras, network, MPS servers, data recorders, circuit rental and other project management;
6. Note that there is a pan-London review of CCTV provision and that this capability is likely to be incorporated into this wider project in the longer term.
7. Approve negotiations with WCC for the allocation of any WCC grant-surplus to the pan-London CCTV strategic review.

**B. SUPPORTING INFORMATION**

1. The current MPS CCTV maintenance contract expires in March 2017 and cannot be extended further. Due to the specialist nature of these CCTV services, the MPS can only procure the support and upgrades from BT PLC. BT is the only supplier capable of supporting legacy analogue CCTV circuits and they hold the Intellectual Property Rights to the existing circuits and exchanges in place. Many of these are on historical and National Heritage protected buildings that are particularly difficult to replace.
2. The MPS has rented specialist CCTV lines from BT since 1979 and they are now the only supplier of analogue CCTV services. The MPS currently has over 200 active analogue circuits across London. Integrating a new provider into this legacy capability at this time would increase risk to the MPS. Any new supplier would not be able to support legacy analogue circuits and would have to embark upon a lengthy programme to install new equipment to replace that already in situ. This would take an unrealistic period of time due to the requirement for arranging the necessary approvals and authorities.
3. The MPS has operated an analogue CCTV estate since 1979 and this urgently needs to be upgraded. Any upgrade would require service continuity for operationally important services. This new contract with BT facilitates that transition. A separate contract for this service requirement is necessary as it falls outside the scope of services defined within the MPS Digital Policing Tower's model.
4. The majority of the CCTV cameras/circuits are required 24/7 for monitoring and recording via street and building cameras. These systems are used to help target terrorist activity, criminality, feed the ANPR network, manage public order events and gather evidential material. This contributes to Total Policing and a safer London.
5. The proposed new 5-year contract for ongoing CCTV support and the upgrading of analogue circuits will enable the MPS to have continuity of service together whilst improving the reliability of CCTV services across the MPS camera estate. This proposed contract award will cost a maximum of £5.4M over the 5-year duration and expire on 31st March 2022. This delivers a key business benefit of protecting the citizens of London.
6. MPS Commercial Services have worked closely with Specialist Crime and Operations (SCO) to help deliver this ongoing support requirement, which is primarily to provide the upgrade path for many of the existing MPS analogue cameras (including the GSZ) and related infrastructure to digital solutions. MPS Commercial Services has liaised with MPS Legal Services to evaluate the procurement and legal options available. These options are limited as the current system is in operational use continually to support the Government Security Zone and all other MPS Operational Control Rooms
7. In July 2016, the Cabinet of Westminster City Council (WCC) decided to decommission their CCTV capability. A threat assessment of the Westminster area has highlighted the operational importance of a number of these cameras. MPS Management Board identified Westminster CCTV as a 'special case' and negotiations have been ongoing between WCC, Westminster BOCU, SCO and MOPAC to find a solution to retain a proportion of the key WCC CCTV cameras.
8. The timing of the renewal of this wider MPS CCTV Maintenance contract offers a route by which WCC cameras could be migrated into the wider MPS CCTV estate, fully funded by WCC. WCC have offered a grant of up to £1.7m to MOPAC to fund all the activities

## Not Protectively Marked

necessary to transfer and upgrade the WCC CCTV cameras into the MPS estate, including the necessary infrastructure upgrade works and capacity increases.

9. The interim solution to manage any risks presented by the decommissioning of WCC cameras has been to install temporary manned-surveillance posts, subject to operational tasking. Such a solution leads to an ongoing and considerably greater cost which would be negated by absorbing the WCC cameras into the MPS network, as proposed.

### C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

#### Equality and Diversity Impact

1. There are no new equality and diversity impact matters to consider as this report is regarding the upgrade of existing CCTV cameras and networks as opposed to the installation of any new cameras.
2. The DMPC should note that the MPS is undertaking a full review of all of its CCTV, including the Privacy Impact Assessments.

#### Financial Implications / Value for Money

1. The proposed new BT contract is to cost circa £748k, plus a further £102k drawn-down each year from the WCC grant. Extensive contract renegotiations with BT have achieved an annual saving of £250k on current CCTV Maintenance costs.
2. Included in the proposed BT contract is a one-off cost of £645k to reroute the WCC cameras to the MPS, again funded by the WCC grant.

Year	MPS Funded	WCC Grant Funded Draw-Down
1	£748k	£102k (+ £645k initial connection)
2	£748k	£102k
3	£748k	£102k
4	£748k	£102k
5	£748k	£102k
<b>Total</b>	<b>£3,740k</b>	<b>£1,155k</b>
<b>Grand Total</b>	<b>£4,895k BT contract costs over 5 years</b>	

3. Separate to the proposed BT contract, there are other additional costs solely relating to the integration of the WCC cameras into the MPS, which will also be drawn-down from the WCC grant.

Additional one off costs funded from WCC Grant
£179k server upgrade
£93k project management
£21k for spare cameras
<b>Total £293k</b>

## Not Protectively Marked

4. The MPS wish to include an additional £500k contingency within the contract, spread over the 5 years, above the annual maintenance costs. This will be part funded from the maintenance budget capacity within SCO (£400k) and part funded from the WCC grant (£100k).
5. The estimated value of this contract is based on BT's solution proposed with a contract term of 5 years. There is no capital expenditure directly associated with this contract.
6. WCC have advised the MPS that a grant of up to £1.7m is available to upgrade key WCC cameras, circuits, networks, MPS servers, MPS data recorders and running costs for the next 5 years of the contract. The grant will be put into a ring-fenced reserve and monies will be drawn down as costs are incurred.
7. Following the migration of WCC assets, it is anticipated there will be a surplus in the available WCC grant of up to £152k. It is proposed to request that WCC contribute this surplus to the ongoing wider pan-London CCTV review which is seeking to harmonise the way that CCTV is delivered across MOPAC including Local Authorities, TfL, various government bodies and other agencies.

### Legal Implications

1. MOPAC is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). When awarding public contracts for goods and services valued at £164,176 or above, all contracting authorities must do so in accordance with the Regulations. This report confirms the value of the proposed contract exceeds this threshold. Accordingly, the Regulations are engaged. Utilising an existing and compliant framework let by the Crown Commercial Service satisfies compliance with the Regulations.
2. The Mayor's Office for Policing and Crime (MOPAC) has the power to enter into contracts and other agreements and acquire property that is calculated to facilitate the exercise of their functions under Section 7, Schedule 3 of the Police Reform and Social Responsibility Act 2011 and has the power to accept gifts of property in connection with the discharge of any of their functions under Section 93 of the Police Act 1996. These powers enable MOPAC to enter into an agreement with WCC to accept full and absolute ownership of their CCTV cameras.
3. WCC has the power to make grants for police purposes to the MOPAC pursuant to Section 92 of the Police Act 1996. This enables WCC to provide funding to MOPAC necessary to upgrade and maintain the CCTV cameras transferred.
4. If approved, there will be a written agreement between the MOPAC and the WCC for transfer of the CCTV and the grant to formalise the arrangement. There will also be a written agreement between MOPAC and BT for the service supply. Details of both agreements will be published under the Elected Local Policing Bodies (Specified Information) Order 2011.
5. There are existing compliant contracts in place for the other elements of absorbing the WCC cameras into the MPS.



## **Risk (including Health and Safety) Implications**

### **Health and Safety**

1. There are no new health and safety matters for consideration regarding the matters addressed in this report. The management of the MPS CCTV network is business as usual for the relevant departments within the MPS and existing industry standard policies and procedures are adhered to.
2. The work undertaken by suppliers, including BT, is contracted in a detailed manner, addressing all health and safety and environmental matters when they carry out the work.

### **Risks**

1. The MPS has a business need to continue to rent mission-critical analogue CCTV services to ensure public safety and tackle crime. The majority of the cameras and circuits are currently analogue and facing reliability and obsolescence issues. These circuits and cameras need to be upgraded in line with MPS other MPS technology.
2. The GSZ Control Room has recently had COG funding approval to upgrade their CCTV viewing platform to digital. This will allow viewing and recording of CCTV cameras in high definition. This can only happen if a number of GSZ cameras are upgraded to HD together with the upgrade of analogue CCTV lines to digital, enabled by this contract.
3. The MPS has reviewed and evaluated options for this mission-critical CCTV service. Doing nothing would result in no contractually compliant route to BT being in place, the non-payment of rental costs and finally BT terminating all of the MPS CCTV lines. The impact of loss of service would result in critical issues detailed in Part B of this report.

### **Environmental Implications**

1. There are no known environmental issues by accepting the cameras from WCC and subsequently expanding the MPS CCTV network. No additional cameras are to be erected.
2. Any contract with BT, and other contractors, includes ensuring they adhere to all relevant environmental policies when carrying out the upgrade work to the cameras and the network.

### **Report authors:**

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