

Finance and Resources Committee

10:00 Thursday, 9 June 2016

Waiver Report for CCTV Infrastructure: BT Redcare

Item number 7.5
Report number
Executive/routine
Wards

Executive Summary

This report seeks the approval of the Finance and Resources Committee for a waiver of Contract Standing Orders to allow the direct award of a contract to BT Redcare, a subsidiary of BT Group plc.

The contract will provide the continued lease and maintenance of fibre optic networks used for the Closed Circuit Television (CCTV) network in Edinburgh for the period of 1 July 2016 to 30 June 2017, with an optional 1 year extension to 30 June 2018. This is to allow the Council to end the contract early in the event of an alternative solution being provided by CGI.

Links

Coalition Pledges [P30](#)
Council Priorities [CP4 ,CP5 ,CP11](#)
Single Outcome Agreement [SO4](#)

Request for CCTV Infra-structure waiver: BT Redcare

1. Recommendations

It is recommended that the Finance and Resources Committee:

- 1.1 approves the direct award of the contract to BT Redcare for the continued lease and maintenance of fibre optic networks used for the Closed Circuit Television (CCTV) network in Edinburgh
- 1.2 awards the contract to BT Redcare for the period 1 July 2016 to 30 June 2017 with the option to extend for a further year to 30 June 2018.

2. Background

- 2.1 The waiver of Council Contract Standing Orders is permitted where the circumstances of the proposed contract are covered by legislative exemptions. This includes where the nature of the market for the services to be provided has been investigated and is demonstrated to be such that a departure from the requirement of Standing Orders is justifiable in accordance with EU law and principles. For example, when for technical reasons the contract may only be awarded to a particular provider(s) or it is in the Council's best interests to do so.
- 2.2 This contract cannot be delivered by another provider because any new provider would need to meet an upfront capital cost of approximately £1.2 million for the installation of an equivalent optic fibre network, excluding the undetermined associated leasing and maintenance costs. These capital costs are not relevant to the BT Redcare contract, as the initial upfront capital costs were funded when the fibre optic network was installed originally.
- 2.3 Specialists from procurement are negotiating the new contract with BT Redcare and have provided an indicative cost for renewal of £160,500 per annum for a 1 + 1 year contract effective from 1 July 2016. This will allow the Council to end the contract early in the event of an alternative solution being provided by CGI, or upon the completion and implementation of the CCTV Investment Programme.
- 2.4 The direct award of this contract to BT Redcare will enable the continued operation of the Central Monitoring Facility delivering CCTV services in Edinburgh, which help ensure Edinburgh remains a safe city by contributing to the reduction of crime and antisocial behaviour.

3. Main report

- 3.1 The Central Monitoring Facility operates 24 hours, 365 days per year, and monitors 213 public space CCTV cameras. The use of these cameras is an essential part of detecting and combating crime, reducing antisocial behaviour and providing reassurance to local communities.
- 3.2 Images from these cameras are transmitted via fibre optic cables installed by BT Redcare. These fibre optic cables and the associated network equipment are owned by BT Redcare, and have been leased by the Council to enable the provision of CCTV services in Edinburgh.
- 3.3 The current contract for the lease and maintenance of the BT Redcare fibre optic cables and network is due for renewal at the end of June 2016. Specialists from procurement are negotiating the new contract with BT Redcare and have provided an indicative renewal cost of £160,500 per annum for a 1 + 1 year contract effective from 1 July 2016. This will allow the Council to end the contract early in the case of an alternative solution being provided by CGI, or upon the completion and implementation of the CCTV Investment Programme.
- 3.4 The contract cannot be delivered by another provider because they would be at an unfair disadvantage to BT Redcare for the reasons set out below.
- There would be an additional estimated capital cost of £1.2m for the installation of a replacement for the BT Redcare network, plus leasing costs of an indeterminate level that would not be incurred if we stay with BT Redcare.
 - The Council would also incur additional removal costs from BT Redcare.
 - There could be an unacceptable period of suspension of service to enable the specified works to be completed to the detriment of public safety in the city.
- 3.5 Following advice from procurement and from a service perspective, it is recommended that the contract with the existing provider BT Redcare is agreed to ensure the continued service delivery whilst the CCTV Investment Programme is progressed.

4. Measures of success

- 4.1 Continuity of service delivery.

5. Financial impact

- 5.1 The indicative renewal cost for the BT Redcare contract is £160,500 per annum for a 1 + 1 year contract operating from 1 July 2016. This cost is within the funding envelope for the service and the contract will deliver price stability for an essential service until June 2018.

6. Risk, policy, compliance and governance impact

- 6.1 The lack of this contract will jeopardise the operation of the public space CCTV system. It will directly impact on the detection and prevention of crime and decrease community reassurance.

7. Equalities impact

- 7.1 CCTV is an essential element in the prevention and detection of crime and as a consequence, public safety and security are enhanced. This in turn encourages a greater participation in public life by people with protected characteristics and in doing so advances the Council's due regard for equality of opportunity and fostering good relations.

8. Sustainability impact

- 8.1 There is no anticipated sustainability impact arising from this report.

9. Consultation and engagement

- 9.1 Consultation on the award of this contract at this stage has been restricted to stakeholders from the Central Monitoring Facility, Procurement and BT Redcare. However, as part of the next stage of the CCTV Investment Programme, further consultation will be completed on the Outcome Based Specification before the procurement of any new systems or equipment required.

10. Background reading/external references

- 10.1 [CCTV Investment Project Update Report](#) - report to the Health, Social Care and Housing Committee on 26 January 2016.

Michelle Miller

Head of Safer and Stronger Communities and Chief Social Work Officer

Contact: Harry Robertson, Senior Manager Community Justice

E-mail: harry.robertson@edinburgh.gov.uk | Tel: 0131 553 8237

11. Links

Coalition Pledges	P30 - Continue to maintain a sound financial position including long term financial planning
--------------------------	--

Council Priorities	CP4 - Safe and empowered communities CP5 - Business growth and investment CP11 - An accessible connected city
Single Outcome Agreement	SO4 - Edinburgh's communities are safer and have improved physical and social fabric.
Appendices	