

Decision Maker: PUBLIC PROTECTION & SAFETY PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Public Protection & Safety PDS Committee on 4th March 2014

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING Q3 2013/14 & ANNUAL CAPITAL REVIEW 2014 TO 2018

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Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for report

On 12th February 2014, the Executive received a report summarising the current position on capital expenditure and receipts following the 3rd quarter of 2013/14 and presenting for approval the new capital schemes supported by Council Directors in the annual capital review process. The Executive agreed a revised Capital Programme for the five year period 2013/14 to 2017/18. Prior to the Executive meeting, there were no capital schemes for this Portfolio, but this report highlights the one new scheme approval, £340k to refurbish the CCTV control room.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to confirm the changes agreed by the Executive on 12th February 2014.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Affective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The Council continuously reviews its property assets and service users are regularly asked to justify their continued use of the property. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley". The capital review process requires Council Directors to ensure that bids for capital investment provide value for money and match Council plans and priorities.
 2. BBB Priority: Excellent Council; Safer Bromley
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Financial

1. Cost of proposal: £340k
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £340k for the PP&S Portfolio over five years 2013/14 to 2017/18
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
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Staff

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Expenditure

3.1 A revised Capital Programme was approved by the Executive on 12th February, following a detailed monitoring exercise carried out after the 3rd quarter of 2013/14. Prior to the Executive meeting, there were no PP&S schemes in the approved Capital Programme, but the Executive also considered and approved new capital schemes supported by Council Directors in the annual capital review process and Members are asked to note the one new PP&S scheme approved by the Executive.

Annual Capital Review – new scheme proposals

3.2 In recent years, we have steadily scaled down new capital expenditure plans and have transferred all of the rolling maintenance programmes to the revenue budget. Our general (un-earmarked) reserves, established from the disposal of our housing stock and the Glades Site, have been gradually spent and have fallen from £131m in 1997 to £31.8m (including unapplied capital receipts) as at 31st March 2013. Our asset disposal programme has diminished and any new capital spending will effectively have to be met from our remaining revenue reserves.

3.3 As part of the normal annual review of the Capital Programme, Chief Officers were invited to come forward with bids for new capital investment. Invest to Save bids were particularly encouraged, but none were received, and it is assumed that any such bids will be submitted in due course through the earmarked reserve that was created in 2011. Apart from the normal annual capital bids relating to school and highway schemes, four bids were recommended for approval, with a total value of £2.2m, all of which would require funding from the Council's resources. One of these, the refurbishment of the CCTV control room, comes under this Portfolio and details are provided in paragraph 3.4.

3.4 The Council's CCTV cameras are operated by both the Public Protection and Parking Enforcement services and both share the same common operating and recording systems. The control room itself was installed in 1997 and has been regularly upgraded to keep it operating without failure. The current equipment is nearly ten years old, however, and is no longer supported by its manufacturers and, as such, substantial faults can no longer be repaired. As a consequence, there is significant risk of failure and the systems are in need of refurbishment. The bid appraisal form is attached at Appendix 1. The scheme, which was estimated to cost £340k and had previously been supported by the Public Protection and Safety Portfolio Holder on 21st January 2014, was approved by the Executive on 12th February 2014.

Post-Completion Reports

3.5 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. Following the major slippage of expenditure at the end of 2010/11, Members confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. A post-completion report on the CCTV control room scheme will be reported to this PDS Committee within a year of completion.

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 12th February 2014. Changes agreed by the Executive for the PP&S Portfolio Capital Programme are set out in paragraph 3.4.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns January 2014. Approved Capital Programme (Executive 20/11/13). Capital appraisal forms submitted by Chief Officers in November 2013. Report to Council Directors' meeting 15/01/14.

CAPITAL PROJECT APPRAISAL – NEW SCHEMES**A. PROJECT SPECIFICATION**

1. Project title and description CCTV control room refurbishment
(Parking and Community Safety)
2. Total estimated capital cost £340.000
3. Proposed start date August 2014
4. Justification for “early” start (i.e. before 2014/15), if applicable
N/A
5. Proposed completion date October 2014

B. POLICIES AND OBJECTIVES

6. What are the aims and objectives of the project?
To secure the operation of the community safety and traffic enforcement control rooms into the future
To refurbish the CCTV operating and recording systems, which are ten years old and no longer fit for purpose and the evident risk of loss of service and the Council’s reputation
7. Which objective(s) of the Council’s Plans and Strategies (specifically the “BBB 2020 Vision” Sustainable Community Strategy, Corporate Operating Principles, Portfolio/Service Plans, Asset Management Plan and I E & E Plans) will be met by the project, and how?
BBB 2020 Vision
Portfolio Plan Public Protection & Safety
Asset Management Plan
8. What are the expected additional outputs and outcomes from the proposed project? (including increase in service users, additional jobs, etc.)
Improvement in response to incidents in the Community Safety control room as operators will be able to review recorded images at their workstations
Improved working conditions including, for instance, increased resolution of video display
9. What, if any, statutory requirement or government initiative(s) will the project contribute towards?
Highways management
Community safety
10. What, if any, partnership working will be involved, and how?
Highways management and maintaining clear routes, reducing congestion through enforcement of parking and moving traffic offences.
Safer Bromley Partnership has a set of strategic aims and key priorities for the reduction of

crime and disorder. The community safety CCTV control room contributes to the achievement of these and the Police and Council civil enforcement staff work closely with the control room management and operators in developing video evidence for the response to and prosecution of offences.

11. Who are the interested stakeholders and what consultation has taken place with them?

Metropolitan Police Service has been consulted about the continued value of the CCTV service and its contribution to the crime reduction partnership. TfL and highways management. Safer Bromley Partnership Shop Safe town centre radio scheme that connects business with each other and the CCTV control room supports the improvements offered as well as continued operation of service.

Parking services has been consulted over the community safety service continuing to maintain operation of CCTV and help points in two major car parks.

Street Services and TfL has been consulted over the CCTV service continuing to operate Bromley High Street drop down bollard system and audio control link

C. FINANCIAL CONSIDERATIONS

12. Total estimated capital cost

£340.000

13. Analysis of capital cost (including elements to be funded by other bodies).

	2013/14 (early start)	2014/15	2015/16	2016/17	TOTAL
	£000	£000	£000	£000	£000
Land					
Construction/Works					
Furniture & equipment		325	15		340
Fees					
Other (please specify)					
TOTAL		325	15		340

14. Analysis of potential external funding (see also Q16 re ring-fencing of external funding).

e.g. Government grants, other local authorities, private sector, other (please specify)	2013/14 (early start)	2014/15	2015/16	2016/17	TOTAL
	£000	£000	£000	£000	£000
TOTAL					

15. Revenue implications of capital expenditure. (Note: Given the Council's financial outlook, COE has indicated that bids of an "invest to save" nature will be especially welcome).

	2013/14 (early start)	2014/15	2015/16	2016/17	TOTAL
	£000	£000	£000	£000	£000
Capital financing (leave blank)					

Employees					
Building maintenance					
Energy costs					
Rates					
Other (please specify)					
Less: Income					
TOTAL					

16. Is the external funding in 14 above ring-fenced? If not, please provide a justification for allocating the funding to cover this proposal in preference to allocating to cover general capital expenditure.

N/A

17. Will any capital receipt arise from the proposal? If so, please give details

N/A

D. RISK MANAGEMENT

18. Please identify any potential risks associated with the project. (These could include risks associated with land acquisition, planning, development, management, marketing, etc.)

The principal risks relate to not carrying out the project, so none are listed here, see 20 below

19. What contingency arrangements would be in place to address these risk factors?

N/A

20. What, if any, would be the consequences of not undertaking the project?

a) At all?

The system is ten years old and due for replacement. Hardware faults are frequent and increasingly expensive to fix. Neither the camera operating system nor the recording system, which are used by both the community safety and the parking control rooms, are supported by their manufacturers and any failure will require their replacement. The existing maintenance contractor is supporting the system but software, as opposed to hardware faults cannot be corrected. Income levels of up to £1.027m per annum would be at risk if the system fails.

The (Meyertech) camera control system is an early version and no longer supported by its manufacturer continued operation the system be refreshed, the operator workstations including servers should be replaced with current models along with associated equipment that is no longer performing to the operational requirements.

The recording system and associated monitor wall has significant faults and are no longer supported by the manufacturer. The manufacturer, Vigilant, has made an end-of-life announcement and ceased to support the Council's equipment from September 2012. Software support is limited as no further development will take place and, although the CCTV maintenance contractor has worked with the manufacturer to correct faults, the servers that manage the recording and video wall are five years old and are no longer supported and require replacement.

The control room UPS (uninterruptable power supply) batteries were installed over 10 years ago and are due for replacement. This system ensures continuity of electrical power thus preventing electrical spikes that might damage the equipment and safe switchover to the

generator in the event of a general power failure.

b) In the proposed timescale?

The system is now close to collapse and requires replacement within the timescale proposed if services are to be maintained.

Replacing individual components rather than the whole system will be more expensive in the long term as there will be less room to negotiate on price with existing suppliers than if the Council is to competitively tender for the equipment all at one time.

E. SUSTAINABILITY

21. Has any consideration been given to social, environmental and financial outcomes arising from the project? Please provide details.

Environmental -

Reduction in energy used by the recording system, video display system and, as a consequence, heat produced which must be removed by air conditioning or the equipment will fail

Reduction in congestion – parking enforcement contributes to reduced emissions.

Financial-

Reduction in cost of repair and maintenance of redundant equipment, not replaced piecemeal
Retain high performance of Parking control room and revenue of £1.027m pa

Social

Contribution to town centre management, financial health of town centre

Contribution to reduction of crime and disorder and health of night-time economy

22. Have the whole life costs of the scheme been fully considered (i.e. have all the key stages of the scheme been considered, from design through to potential disposal), and have the social, environmental and economic impacts and costs, both positive and negative, been identified? Please provide details.

Whole life cost

Supply and installation – £340,000

Maintenance and servicing (total for 7 years) – £115,000 included in existing revenue budget

Non-cashable savings

- The latest technology will ensure greater reliability and serviceability and ensure the continued operation of the service
- Improved staff morale and confidence in the service on seeing investment in the CCTV control room
- Improved integrity of the recording medium and process
- Quicker and easier operation of equipment, selection of cameras and flexibility of operation where each operator can view and operate any camera within the control room

Social sustainability – The successful contractor must present a health and safety plan for approval before the works can commence, this will address both the safety of its employees and others when working in both public areas and council's premises. The CCTV operators are

recruited locally and will be trained in the operation of the digital equipment, developing their skills and improve prospects for future employment.

Economic - The tender will be competitive which will ensure that the services and works provide the best value for money. The contract will require that the manufacturer supports the equipment for at least 7 years, preventing unnecessary replacement of what should be serviceable equipment.

Environmental – Upgrading the CCTV system and replacing the recording system for a low energy alternative supports the council’s policy to reduce its impact on the environment by delivering a reduction in the use of electrical energy.

F. GENERAL

23. VAT IMPLICATIONS

Are there any VAT implications arising from the proposed scheme? (These will need to be signed off by Maria Wiles and/or Tracey Pearson before the bid can progress).

N/A

24. ASSESSMENT OF PRIORITY

What would you assess the overall priority for this project to be? (please tick as appropriate).

	High	Medium	Low
Departmental	X		
Public	X		
Council Members	X		

25. PROJECT MANAGER / RESPONSIBLE OFFICER

Name

Job Title

Date