

Title of meeting: Environment and Community Safety Cabinet

Date of meeting: 23 March 2017

Subject: CCTV Monitoring Contract

Report by: Director of Regulatory Services and Community Safety

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

1.2 This report is to review the options available to Portsmouth City Council when the CCTV Monitoring Contract, currently managed by Keyline Chartered Security Limited ends on the 31st July 2017. The options available are to extend the contract by one year or employ the operators in-house. There is a third option to re-tender the contract, but that process would require the 1 year extension to be agreed to meet timescales.

2. Recommendations

2.1 The Cabinet Member for the Environment and Community Safety agree that the CCTV operators be brought in-house on their current terms and conditions on the 1st August 2017.

3. Background

3.1 The CCTV Control Room and the equipment within it is owned by Portsmouth City Council (PCC). The CCTV Operations Manager is a PCC employee so oversees the CCTV Operator Contract, but the operators are employed by Keyline Chartered Security Ltd.

3.2 The CCTV Control Room has two operators on duty for 365 days a year, 24 hours each day on a rota system. There is currently a supervisor and officer on duty at all times. The current number of staff required to meet this demand is four supervisors and four officers, working on a rota system.

3.3 The CCTV Operator Contract has always been managed by an external company and on the 1st August 2013 the current contractors Keyline Chartered Security Ltd were awarded the contract following a re-tendering exercise. The existing operator team was previously managed by the

outgoing contractor Mitie Security and the operators became Keyline employees by way of TUPE.

- 3.4 The current contract is for four years with the option to extend by an additional one year. The four year element of the contract ends on the 31st July 2017.
- 3.5 A working group was formed to review the options and it was agreed to recommend the options to bring the operators in-house and this will likely be by way of a TUPE transfer.
- 3.6 If it is agreed to bring the contract in-house 15 weeks' notice is required to formally end the contract to enable a start date of the 1st August 2017 for the new way of working.

4. Reasons for recommendations

- 4.1 Bringing in the operators in-house should achieve a saving but more importantly give direct control of the operators to the CCTV Operations Manager. This will assist our plans in the future to identify income opportunities and enable closer synergy with the Traffic Management Control Centre as co-location is currently being progressed.
- 4.2 The Keyline contract (providing for living wage requirements) has recently been increased to £212,000 per year. The proposed in-house TUPE is estimated to cost £173,000 per year, and provides for pension access. This would contribute to the CCTV savings target for 2017/18.
- 4.3 Should all staff convert to Portsmouth City Council's terms and conditions it is estimated that this could cost in the region of £209,000 per annum based on current pay rates and anticipated pay banding. An upgrade by one pay band would increase this cost to some £229,000. However these costs could be mitigated in a number of ways including changing contracts e.g. removing the need for a shift element to ensure that budget pressures would be met.
- 4.4 However, these terms are unlikely to be applicable in the short term as TUPE is applied and, should a vacancy arise in one of these posts, it would be intended to appoint an apprentice to the role. This would assist in maintaining financial stability and in meeting the budget target.
- 4.5 The operators are currently on an hourly rate above the living wage and predicted to be so until at least 2020. Therefore it is not expected to need to harmonise or change contracts for those that TUPE across for several years.
- 4.6 There remains the option to re-tender in the future.
- 4.7 The CCTV repairs and maintenance was previously contracted out and a similar exercise was completed with the CCTV engineers were brought in-house under the management of the CCTV Manager (14 April 2015). This

has proven extremely successful in reducing the budget but also providing a better service for PCC departments to meet their CCTV needs. The operators are able to respond quickly to demands to ensure the stakeholders of Portsmouth receive a good service.

5. Equality impact assessment

5.1 An Equality Impact Assessment is not required as the recommendations do not have a disproportionate negative impact on any of the specific protected characteristics as described in the Equality Act 2010 for the following reasons:

- The function has been ongoing since the introduction of the CCTV cameras in Portsmouth and there is not a change being made to policy or procedures other than the operators being employed directly by Portsmouth City Council as opposed to an external contractor managing the staff on our behalf
- Whilst there is no direct feedback from equality groups due to the nature of this function simply being related to monitoring CCTV cameras it is not envisaged that further research is undertaken at this stage.
- There will not be a change of working practice so the operator will continue to provide the same service whether by being contracted by an external provider or as a Portsmouth City Council employee.

6. Legal implications

6.1 TUPE implications arise from the transfer of the Contract. This will result in a transfer of Keyline employees who spend more than 50% of their working time on this Contract.

6.2 PCC must provide Keyline with 15 weeks' notice from the date of termination and should therefore ensure that funding is in place before serving the above mentioned notice. Directly once the notice has been served PCC are unable to invoke its right to extend the Contract.

6.3 The contract could potentially be extended by an additional year. However, a 15 weeks' notice period must be given within that year in order to terminate the contract early. This could be challenged by the contractor.

7. Director of Finance's comments

7.1 The contract price has recently been increased to £212,000 per annum to reflect the impact of living wage requirements on the contractor and this has had to be accommodated in the 2017/18 budget base.

7.2 Based upon the available information it is anticipated that taking on existing staff under TUPE arrangements would cost between £162,000 and £182,000 depending on pension arrangements.

- 7.3 The 2017/18 budget savings also incorporated savings proposals of £15,000 from anticipated service efficiencies and CCTV operations.
- 7.4 Financial modelling suggests that should the staff all harmonise onto PCC terms and conditions, the service costs, at current pay rates, are likely to be between £178,000 and £229,000 depending on pay grades, pension and shift arrangements applied.

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Signed by:
Deputy Chief Executive and City Solicitor.

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

| Title of document | Location |
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The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: