

Decision under Delegated Powers

Officer requesting Decision

Team Leader: Regeneration and Economic Development

Officer Making the Decision

Strategic Director: Housing Planning and Regeneration and Regulatory Services in consultation with the Cabinet Lead Member for Planning and Inward Investment.

Recommendation

1. That a grant in the sum of up to £24,600 is made in favour of Shepshed Town Team.
2. That the offer of the grant is conditional upon a commitment from Shepshed Town Team to prepare and submit an annual report capturing evidence of business confidence, commercial premises vacancy rates and crime figures.
3. That the award of the grant is conditional upon receipt of details of a maintenance contract and service level agreement between relevant parties.

Reason

1. To enable the procurement and installation of a five camera CCTV system in Shepshed Town Centre to be monitored by the Borough Council.
2. To permit the measurement of the effectiveness of the investment in supporting the regeneration of Shepshed Town Centre.
3. To ensure that enforceable provisions are in place to secure the effective maintenance of the systems together with related monitoring arrangements.

Authority for Decision

The Cabinet Meeting of 11 May 2017 approved the reallocation of the uncommitted balances within the Shepshed Shop Front Improvement Scheme (£36,821) to support the capital costs of general improvements to the public realm within Shepshed Town Centre. (Minute 16/17:116 [1] applies). Cabinet further resolved that authority for the consideration of projects and approval of funding be delegated to the Strategic Director of Housing, Planning and Regeneration and Regulatory Services, in consultation with the Cabinet Lead Member for Planning and Inward Investment (Minute 16/17: 116 [4] applies). The Cabinet Lead Member has confirmed that he is content to support the recommendation assuming that it is in conformity with budgetary rules and related procedures. The delegated decision protocols provide for such assurances through approvals from financial and legal services which are in place.

Decision and Date



30/7/18

Background

The Corporate Plan 2016 – 2020 is committed to the creation of a strong and lasting economy in Charnwood. Specifically the Plan aims to support initiatives to help our towns and villages to thrive while a continuing commitment to Shepshed is reflected in the acknowledged need to develop a new and refreshed master plan.

The current master plan was endorsed by Cabinet on 1st August 2013 (Minute 13/14:30). That plan identifies an overarching vision and a set of six strategic objectives supported by a menu of potential interventions to improve the appearance of Shepshed town centre through the enhancement of the public realm.

Previous Decisions

In approving the reallocation of the Shop Front Improvement scheme funding Cabinet resolved that the Strategic Director of Housing, Planning and Regeneration and Regulatory Services, in consultation with the Cabinet Lead Member for Planning and Inward Investment be delegated to prepare a set of criteria to permit the assessment of projects against the approved vision and strategic objectives of the Shepshed Town Centre Master Plan and Delivery Framework. (Minute 16/17: 116 [3] applies). That obligation was discharged under Delegated Decision DD 121 17/18 which approved an application form designed to capture scheme proposals for evaluation against a criteria based matrix.

The current application, submitted by Shepshed Town Team, has been assessed through that process with the assistance of the Growth Support Fund Grants Panel.

The assessment process falls into four categories:

- Overall project quality and fit with the vision and objectives of the Corporate Plan and the Shepshed Master Plan,
- Quality of proposals for project delivery and management,
- Financial viability and quality of project management proposals, and,
- Strength of the delivery organisation / partnership.

Project Quality and Strategic Fit

The project provides for the installation of CCTV cameras, three in the Market Place and two in the Bull Ring. The systems are to be monitored with the assistance of the Borough Council under the provisions of a service level agreement. Monitoring costs, together with annual servicing costs are to be met by Shepshed Town Council.

The Borough Council's Corporate Plan addresses three overarching themes:

- Creating a strong and lasting economy
- Every resident matters, and
- Delivering excellent services.

The Corporate Plan's commitment to initiatives designed to support towns and villages is specific to Shepshed, recognising the need to revitalise the adopted masterplan which was prepared in 2013.

The project itself is promoted as a demonstrable example of a community working in partnership to deliver locally needed services. CCTV is seen as necessary in providing peace of mind for businesses and residents to deliver higher footfall and commercial success.

The Shepshed Master Plan vision calls for, "a local centre for local people based on support for and expansion of independent traders, repairing the physical fabric of the town thereby making it more attractive." The scheme promoters argue that the confidence provided by high quality monitoring systems will encourage independent traders to locate in the town centre and lead to wider participation in community events.

The promoters acknowledge that the Master Plan does not specifically refer to the installation of CCTV systems but believe that three of the plan's six strategic objectives will be supported by the initiative:

- The reinvigoration of town centre activity and prosperity,
- The improvement of the visual appearance of the town to improve its visitor appeal, and,
- The attraction of new businesses working together with a common purpose and a mutual commitment to investment.

It is claimed that the successful delivery of all of these objectives is dependent on investment on the part of all partners. However before businesses can be persuaded to invest they must be confident that that investment will deliver a return and prospective customers must be confident that they may visit the centre without fear of crime and anti-social behaviour.

It is noted that pressure on budgets means that the police presence has necessarily been reduced. Communities and businesses are being encouraged to reduce the incidence of crime through their own actions. It is asserted that the installation of CCTV systems is a practical demonstration of the community and businesses working together to create a solid foundation for encouraging all partners to invest in and make greater use of the centre driving a virtuous circle for investment and the delivery of physical improvements.

The benefits of investment in new and existing shops and businesses, supported by a more attractive public realm has the potential to affirm Shepshed's position at the heart of an expanding community of some 17,000 people, delivering locally accessible facilities within a more sustainable community.

Evidence of community and business support for the proposal is provided in the form of:

- A business survey undertaken in August 2017 which ranked the installation of CCTV first priority among ten potential interventions to improve the business environment.
- The dedicated neighbourhood Police sergeant and beat constable have supported the deployment of CCTV systems within the context of a recent armed robbery in the Bull Ring. The officers assert that the investigation of the incident could have been assisted significantly with consequent savings in police time and resources if high

quality CCTV imagery had been available from a single source. They further speculate that Shepshed may have been targeted specifically because the offenders were encouraged by the absence of monitoring systems.

- A social media thread where the overwhelming number of contributors expressed support for the installation of CCTV.

It is submitted that the project will:

- Enhance accessibility and the quality of the public realm leading to an increase in footfall in the main shopping area;
- Attract more independent businesses into the town centre leading to a reduction in the incidence of vacant units within the town centre, and
- Reduce incidents of crime, disorder and anti-social behaviour reflected in lower recorded levels of crime as monitored by the police service.

The success of the scheme may be evaluated by monitoring performance annually against these factors, or relevant proxies, as in the case of footfall it will be difficult to gather statistically relevant data. Accordingly any award of funding should be linked to the preparation and submission of an annual report covering:

- Shop vacancy levels
- Reported crime figures, and
- Business confidence as measured through an annual survey of businesses.

Having regard to this evaluation it is considered that a compelling case is made for investment in key infrastructure which will raise levels of confidence among investors and visitors alike vital to the success and prosperity of Shepshed town centre. In that respect there appears to be a direct link between the deployment of CCTV systems and the delivery of the overarching strategic objectives of both the Corporate Plan and the Shepshed Master Plan with the opportunity to measure the success and effectiveness of the investment.

Project Delivery and Management

The project plan has been assembled with the assistance of the Borough Council's CCTV service manager. Subject to funding being approved the systems will be procured with the advice of the Borough Council's team. Installation will be undertaken under contract by the approved supplier under the direction of the applicant. Once commissioned the CCTV will be monitored by the Borough Council with ongoing maintenance and management costs being met by Shepshed Town Council.

Funding and Financial Viability

In accordance with good practice in procurement and the provisions of Shepshed Town Team's Constitution competitive quotations have been invited from three suppliers in accordance with an agreed specification.

That specification, drawn up with the assistance of the Borough Council's CCTV service manager, invited quotes for the installation of five cameras and potential suppliers were advised of the need to ensure that the proposed solution would be compatible with the Borough Council's monitoring systems.

Chubb United Technologies failed to submit a quote for the work.

In order to give the client a lower cost option ADT submitted a quote for the installation of four cameras in a sum of £17,693.40 plus an annual service charge of £1,500 (net of VAT). That quote included the installation of a metal camera pole in the Market Place. Installation of a fifth camera would cost an additional £954 + VAT. Accordingly the total capital cost of a five camera system would be £18,647.40 (£22,377 inclusive of VAT at 20%).

Secure One has submitted a quote in the sum of £15,984.22 plus an annual service charge of £1,300 (net of VAT). Additional costs, unspecified in the supplier's quote, would accrue with the customer being responsible for the installation of a 6 metre camera pole in the Market Place. Enquiries indicate that the costs of installing a metal pole would be in the region of £1,900 (inclusive of VAT). Total capital costs on a like for like basis with the ADT proposal would therefore be about £21,100 (inclusive of VAT at 20%).

However, the selection of a preferred supplier is based on an evaluation of cost and quality to arrive upon the "most economically advantageous tender." As the Borough Council will be responsible for the monitoring of the cameras in accordance with a service level agreement it is necessary that the preferred CCTV system should be compatible operationally and technically with the Council's existing systems. The service manager advises that he and his staff have 8 year's experience in the management of programmes required to operate the ADT cameras and recording equipment. The product offered by Secure One relies on new software with additional costs related to the purchase of a new pc and monitor together with the training of all operators. The CCTV service manager advises that the monitoring of two separate systems would place an unacceptable burden on operating staff. Having regard to cost and quality the applicants, advised by the Council's CCTV service manager, conclude that the ADT proposal is preferred.

The completion of negotiations related to the acquisition of competitive quotes and other issues related to the progression of the application means that the original quotations have now expired. To ensure that the scheme may proceed it would be prudent to build in a 10% contingency with the final payment reflecting the final costs of the project upon installation. That would suggest a figure of up to £24,600.

This is somewhat less than the figure requested in the original application (£27,893) which was based on provisional costings. The original application had also indicated that a separate submission was to be made seeking 50% funding for the project from the Leicester and Leicestershire Police and Crime Commissioner's (LPCC) "Prevention Fund." That application was unsuccessful; it is not the policy of the LPCC to provide feedback. Accordingly the applicants are seeking 100% capital funding from the Shepshed Public Realm Improvement Scheme fund.

Given the engagement of the Council's own CCTV service team in the specification, negotiation and subsequent monitoring of the systems the Council may be confident that Shepshed Town Team is obtaining the best value for money in its efforts to secure funding support from the Borough Council.

There are no ongoing costs accruing to the Borough Council as Shepshed Town Council has agreed to fund revenue costs having endorsed the following statement:

“Shepshed Town Council is committed to the installation of a CCTV system in the town centre. Shepshed Town Council agrees to fund the revenue costs of maintenance and monitoring in accordance with the figures quoted for the first years of operation by ADT and the service level agreement with Charnwood Borough Council. Shepshed Town Council will continue to meet future revenue costs of the system provided any annual increases are in line with the Consumer Price Index. In the event of additional revenue costs accruing Shepshed Town Council will continue to support in principle, the maintenance and monitoring of the CCTV system but necessarily will need to balance its continued funding of the project against competing demands upon its budget and available resources.”

Organisational Strength / Delivery Partnership

Shepshed Town Team was formed in 2011 as a stakeholder reference group to assist consultants in the preparation of the Shepshed Town Centre Master Plan and Delivery Framework (May 2013). That commission was undertaken to provide a vehicle for co-ordinating action to improve the vitality and viability of the town centre and to provide a basis for bidding into funding streams to spend on delivering the vision for the area. Furthermore the commission reflected the Council’s aspiration to assist the community in capturing the investment and related potential benefits which might be secured through planned housing development around Shepshed.

The Town Team has since adopted a formal constitution to better define and guide its future operation; the “new” Town Team came into effect with the election of the executive at the inaugural AGM held on 27 September 2017.

The Town Team is already a functioning partnership; it draws representation from the business community, local residents, voluntary sector representatives and councillors from all levels of local government.

In advancing this project the Town Team is actively engaging with a wider range of partners including Shepshed Town Council and operational teams at Charnwood Borough Council.

As evidenced elsewhere the project will be delivered in close association with the Town Council with provision for the monitoring of the systems by the Borough Council being managed through a service level agreement.

The project attracts a score of 83, validated by the Grants Panel. The scheme guidelines prescribe that projects achieving a score of 70 and above should be fully funded.

Financial Implications

The budget within the Capital Plan for improvements to the public realm in Shepshed stands at £36,821, funding having been reallocated from the former Shepshed Shopfront Improvement Scheme. A grant of up to £24,600 will leave a balance of at least £12,200 available to support other public realm improvement initiatives within the town centre.

Risk Management

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
That the costs of the installation do not require the total funding approved leading to the inefficient use of CBC resources.	Probable	Insignificant	Payment will be made to Shepshed Town Team only upon receipt of invoices from the preferred supplier.
That the preferred supplier fails to deliver the installation in accordance with the contract resulting in a sub-standard or inoperable system	Remote	Moderate	The installation will be governed by the terms of the contract between Shepshed Town Team and the preferred supplier (including a maintenance schedule). Shepshed Town Team will be encouraged to negotiate a retention under the terms of the contract to ensure its practical delivery.
That Shepshed Town Council continues to meet the cost of maintenance and monitoring to ensure that the systems remain operable.	Unlikely	Minor	The contract with the preferred supplier includes provision for a maintenance agreement which the Town Council has agreed to fund. Monitoring arrangements will be secured through partnership with the Borough Council by means of a service level agreement with annual charges being funded by the Town Council provided annual increases are consistent with the Consumer Price Index
That revenue costs escalate to a level which can no longer be afforded by the Town Council resulting in the failure of operating systems or monitoring arrangements.	Unlikely	Moderate	Then preferred supplier has offered a fixed price for the maintenance of the systems for 5 years. Monitoring costs qualify for a 90% discount. If that discount should be reduced Shepshed Town Council will continue to support in principle, the maintenance and monitoring of the CCTV system but necessarily will need to balance its continued funding of the project against competing demands upon its budget and available resources.

Key Decision:

No

Background Papers:

Formal application from Shepshed Town Team with supporting evidence.

Grants Panel project assessment matrix

Quote: ADT

Quote: Secure One

CCTV Facebook thread

Draft service level agreement with Charnwood Borough Council (CCTV monitoring)

Correspondence between CBC and Shepshed Town Council re maintenance and monitoring costs