

Questions Raised by Members of the Joint CCTV Executive - 26 February 2018

Governance

1. What is the structure of the CCTV 'organisation' as a whole? What is the relationship between the following constituent parts?
 - Joint CCTV Executive
The Joint Executive Committee is the governance group for the CCTV Partnership.
 - Officer Management Board
Below the Joint Executive Committee is an Officer Management Board. The officer management board takes responsibility for major decisions affecting the operational management of the joint CCTV control room.
 - Stevenage BC staff employed to manage the CCTV service on a day-to-day basis
As the lead body for the partnership Stevenage Borough Council acts as the employer for the CCTV Services Manager and the CCTV Operations Manager. In 2015 the CCTV Services Manager was appointed by the board as Managing Director of the company.
 - CCTV Company
The CCTV Company is owned by the Partnership. Members of the partnership nominate shareholder representatives and nominate Directors to the CCTV Board.
 - CCTV company directors
The Company Directors act on behalf of the company, board and shareholders.

2. Who sits on/attends/fulfils each of the above? Council Members, Council Officers, company directors, others?

Joint CCTV Executive (Municipal Year 2017-18)

East Herts District Council

- *Cllr Graham McAndrew*
- *Cllr Mari Stevneson*
- *Cllr Geoffrey Williamson*

Hertsmere Borough Council

- *Cllr Pervez Choudhury*
- *Cllr Jean Heywood*
- *Cllr Peter Wayne*

North Herts District Council

- *Cllr Julian Cunningham*
- *Cllr Tony Hunter*
- *Cllr Lynda Needham*

Stevenage Borough Council

- *Cllr Richard Henry*
- *Cllr Jackie Hollywell*
- *Cllr Joan Lloyd*

Officer Management Board

- *Jonathan Geall - East Herts District Council*
- *Valerie Kane – Hertsmere Borough Council*
- *Ian Davis- North Herts District Council*
- *Keith Moore- Stevenage Borough Council*

Company Directors

- *Ben Wood- East Herts District Council*
- *Hilary Shade – Hertsmere Borough Council*
- *Peter Carey- North Herts District Council*
- *Keith Moore- Stevenage Borough Council*

Staff

- *Keith Moore – CCTV Group Manager (Stevenage Borough Council)*
- *Mike Reid- CCTV Operations Manager (Stevenage Borough Council)*

Governance and management of the CCTV Partnership (not the Company)

3. Is there a document (SLA? Partnership Agreement?) that makes it clear what roles and responsibilities the partner authorities have (a) delegated to Stevenage BC as the provider of the CCTV service and (b) retained for themselves?

No, but this is something that could be picked up through the proposed Governance Review if the partners think it would be helpful.

4. Is there a set format for the Joint CCTV Partnership meetings? If not, should there be?

The standard agenda items are: the presentation of the Annual Report, the Independent Inspectors Report, and any changes to the law and/or Code of Practice.

5. How are matters of CCTV strategy, policy and procedures decided? See following questions for more detailed questioning on this point.

In accordance with the existing Terms of Reference.

6. How does Stevenage BC's scheme of delegations to Members and officers apply to the operation of the CCTV service? Is there sufficient cross-reference to the role of the partners?

The CCTV Group Leader is a fourth-tier Manager at Stevenage Borough Council and has delegated responsibility in accordance with the Council's

financial standing orders. The Stevenage Borough Council scheme of delegations is currently being reviewed. Any delegated authority should reference partnership agreements where they are in place.

7. Linked to above question, which decisions have been delegated to officers? Is there a distinction between Stevenage BC officers managing the day-to-day CCTV service and officers within the other partner authorities?

The CCTV company nominated the CCTV Group Leader to fulfil the legal obligations of a Managing Director of the company.

The day to day management of the CCTV operations is undertaken by the Operations Manager.

The CCTV Group Leader is responsible for the co-ordination of all partners and clients.

The Operational Management Board is nominated officers from each partner authority.

8. What matters are reserved for decision by the partner authorities? What is the distinction, if any, between decision-making by officers of the partner authorities and Members (meeting together as the Joint CCTV Executive)?

This should be reflected in the terms of reference and can be looked at through the proposed Governance Review. The Operational Management Board was originally established to ensure swift operational decisions could be made including the structure of the control room, suitability of new customers, legislative changes and movements in crime patterns.

9. Linked to the above question, in reality, who would/does decide whether a matter can be determined by (a) the Stevenage BC officers managing the day-to-day CCTV service, (b) other Stevenage BC officers (if this is applicable?), (c) officers of the partner authorities or (d) Members through the Joint CCTV Executive?

This should be reflected in the Terms of Reference and can be picked up as part of the Governance Review.

10. What is the decision-making mechanism of the Partnership? How are differences in views between partners dealt with? As there are four partners, how is deadlock dealt with?

This should be reflected in the Terms of Reference.

Governance of the CCTV Company (not the Partnership)

11. Could the Company's Articles of Association be circulated to all partners?

A copy has been attached.

12. For purposes of clarity, could you confirm who the shareholders of the company are? Is this the four partner authorities? Do all shareholders hold equal shares?

This was set out in Council reports in 2013. The Company is owned exclusively by the four local authorities. The proportion of shares is in direct proportion to the number of public realm cameras in each local authority area.

13. Is there a shareholder agreement between all shareholders? If so, could a copy be circulated to all shareholders (the partner authorities)? If not, do the shareholders believe such an agreement would be beneficial?

A copy has been attached.

14. Linked to the above question, does the shareholder agreement (or any other document), make explicit what company matters are reserved for the shareholders to determine?

'Reserved Matters' are listed in the Shareholders Agreement and cover items such as sale of shares or dilution of holdings and also appointments to the Board.

15. Has each shareholder nominated a shareholder representative? (Note: this is not the same as a nominated director from each authority)

By law, each Authority must have at least one shareholder representative - each Partner delegated this to a Director at the time.

16. Does the Company convene an AGM or similar? Are the shareholder reps invited?

Shareholder representatives are invited to the AGM. The AGM appoints a shareholder representative as the Chair.

17. What is the mechanism for the shareholders to guide the direction of the Company and/or exercise their decision-making responsibilities on reserved matters?

Only shareholders can vote at the AGM on such topics. Shareholders are invited to put forward items for inclusion on the agenda in advance of the agenda being circulated.

18. How are shareholders informed of the performance of the Company?

At the AGM, the final year end accounts are reported and use of dividend decided and an operational report is presented. Marketing plans and revised financial targets are also discussed.

19. What is the decision-making mechanism of the Company? How are differences in views between shareholders dealt with? As there are (presumably) four shareholders, how is deadlock dealt with?

Deadlock is dealt with in the Articles and Shareholders agreements, both in terms of majorities and arbitration.

20. What is the degree of overlap between Stevenage BC officers' roles managing the CCTV service on a day-to-day basis and being company directors? How are any conflicts of interest identified and avoided?

The CCTV Group Manager was nominated by the CCTV Board as Managing Director in January 2015. Any conflicts of interest must be declared. This applies to all Officers working for companies formed by a Local Government Body.

Day-to-day Management

21. Who is answerable to whom regarding the day-to-day management of the CCTV service?

For the Partnership, the CCTV Manager reports to the Group Leader CCTV and Parking Services.

For the CCTV Company, the Managing Director acts in an Executive capacity and is accountable to the shareholders via the Board.

22. Who is answerable to whom regarding CCTV company matters?

The Managing Director to the Board and the Board to the Shareholders

23. What are the property lease arrangements between the CCTV service, the CCTV company and Stevenage BC in terms of both landlord and tenant?

There is currently no lease.

24. Can an explanation be given as to why there was a 16-month gap between the two latest Joint CCTV Executive meetings when these should be held annually?

The Joint CCTV Joint Executive meeting has historically been held on a rotational basis. The 2017 meeting was due to be held in Hertsmere but was unable to be serviced. Alternative arrangements should have been made to ensure this meeting took place.

25. A question was raised at the Joint CCTV Executive meeting on 19 February 2018 about the use of high resolution video evidence rather than reliance on DVDs. Could the partners be assured that this will be investigated and, if necessary, proposals brought forward for decision?

This matter will be investigated as requested.

26. Given the importance of the new General Data Protection Regulation (GDPR), members of the Joint CCTV Executive were surprised that there was no paper on this presented, nor reference to GDPR in any of the other papers. While verbal reference was made to GDPR by Stevenage officers at the meeting, what assurance can be offered that this is being adequately addressed?

For future items of significance, papers will be prepared in advance. The amendments to the Code of Practice will be implemented in May 2018 when GDPR becomes law. The changes to the Code will be ratified by the Joint Committee at its next meeting.

Move of the CCTV Control Room

27. When did discussions commence within Stevenage BC regarding the need for the CCTV Control Room to move?

The Operational Management Board was notified in October 2017 that the vacation of the Swingate House site was a likely scenario to help facilitate the regeneration plans for the town centre. Stevenage Borough Council has been exploring alternative location options within the Stevenage Borough Council sites available. No formal decision has been made regarding this matter and the conversations are ongoing and need to be broadened out to include dialogue with the partner authorities. The Executive will be consulted once a clear proposal has been sufficiently well developed.

28. Was the Officers Management Board made aware of the closure and move and if so, when?

An email was sent to the Officer Management Board and Chair of the Company on 3 October 2017 about the potential move. Internally, at Stevenage Borough Council, confirmation of the site options available within Stevenage with minimal business disruption was provided in early February following the announcement of the SG1 Regen Delivery Partner.

29. Were the CEOs of each partner authority made aware of the closure and move and if so, when?

No, because the plans for the move remain in development.

30. Was the Company's Board of Directors made aware of the closure and move and if so, when?

The Board has been made aware of the possible demolition of Swingate House. This was reiterated in an email to the Board of Directors in October. There has been no further confirmation of any changes because no further decisions have been made. Stevenage Borough Council has a development partner for the SG1 scheme (Mace) and work is underway to now formalise the contract to deliver the regeneration scheme and progress with a planning

application. As above, it is likely that this will necessitate moving services from Swingate House but we will do so to avoid disruption to all tenants.

31. Linked to the above questions, it appears that partner authorities, in either their capacity as a partner or a shareholder, have not been drawn into discussion about the closure and move. Who took the decision not to involve them?

It is absolutely clear that more formal arrangements for discussing options with the partner authorities should have been established sooner.

32. Bearing in mind Stevenage CEO's assurance that no final decision on the location for the Control Room has been made, it appears Stevenage BC's building at Cavendish Road is at least a 'front runner'; how could this be determined without reference to the partners as the ToR for the Joint CCTV Executive state, to consider and approve expansion or contraction proposals for the CCTV Control Room, Network, and monitoring service?

There is some ambiguity around the CCTV Control Room relocation, which has not been sufficiently captured in either the Joint CCTV Executive or the Operational Management Board's Terms of Reference. The OMB's Terms of Reference states: "The Management Board will take responsibility for major decisions affecting the operational management of the joint CCTV initiative. They will approve any change to the structure of the control room". Clearly this needs to be rectified.

33. What criteria have been and are being applied to the identification of a new location?

A technical consultant has been appointed by Stevenage Borough Council to scope the relocation of the current CCTV Control Room with minimal operational disruption to the CCTV Partnership and Company. The current proposed date for Swingate to be cleared is December.

34. How can partners and the Company be assured that a new location offers best value for money?

This will be considered as part of the above brief.

35. Who should be held to account for the decision-making regarding work undertaken so far to identify a new location without reference to the partners, the Company and the Company's shareholders?

SBC should have taken steps to ensure that the partners were fully engaged in this discussion.

Financial Matters

36. At the meeting of the Joint CCTV Executive held on 27 October 2016 (the last one before the one held on 19 February 2018), in order to overcome a

difference of views between partners about how partners should be invoiced (essentially by the Partnership or the Company), it was resolved that *'a group accountant be appointed to undertake a cost benefit analysis to review more tax efficient ways to run the Hertfordshire CCTV Partnership'*. While not explicit in the minutes, it was the Joint CCTV Executive's understanding that this task would be undertaken by the officers managing the CCTV service on a day-to-day basis. Why has this resolution not been acted on some 16 months after it was made?

The matter should have been followed through and communicated as appropriate with the CCTV Company Board and Joint CCTV Executive.

37. What steps are now in place to rectify this?

The Service Accountant from Stevenage Borough Council will provide a response at the next meeting of the Joint Executive.

38. Has the non-compliance with this resolution resulted in higher costs to the Partnership and/or reduced profits payable by the Company to shareholders?

The Service Accountant from Stevenage Borough Council will investigate and cover this point off at the next meeting of the Joint Executive.