



Essential considerations when acquiring a CCTV system

Extract from the chapter “Essential considerations when acquiring a CCTV system” in *An Essential Guide to the Acquiring, Deployment and Use of CCTV*, distributed by The Security Institute.

Author: Alistair Freeborn, Sales Manager - High Security and Commercial - Quadrant Security Group

Placing a Contract

The following section offers guidance as to how to place and manage installation contracts.

Technical Specification

You should supply any prospective contractor with a technical specification and an operational requirement as part of the request for quotation/ tender.

The specification should be clear as to whether the performance requirements or any products you select take precedence. Nominating products, whilst allowing you to choose corporate equipment suppliers, can blur responsibility for meeting performance criteria. If the product selection takes precedence ask the supplier to identify areas of non compliance with the performance specification as this will allow dialogue before contract placement.

As part of the specification, scaled drawings should be provided to allow the contractors to calculate cable routes and camera fields of view. It is a major handicap to installation companies if drawings are not available.

Form of Contract

It is recommended that a formal contract is put in place when contracting installation works. Small value works may be carried out on your standard conditions of purchase or installer terms and conditions if acceptable, but larger more complex projects will require a formal contract.

This contract should encompass most eventualities that might occur during the course of an installation, and cover such aspects as contractors being late (including penalties if they are), how payments are made, how additional works may be added to the contact, and co ordination with other trades etc.

In all cases clear responsibilities of all parties should be defined, including aspects of the project you are responsible for providing.

There are a number of standard forms of contract that most companies are familiar with. Examples of standard forms of contract are JCT, GC Works and NEC.

You should be aware that if the contract terms are too arduous, (for instance in terms of penalties for late completion) suppliers may refuse to accept such terms or once under contract will act in a very contractual manner during the works to protect themselves from penalty.



Fully read your own contract to ensure you understand it, as it is not uncommon for standard or company contracts to conflict with particular specifications produced by design consultants and this can lead to confusion and/or conflict.

Programme

A programme of works is your key project management tool, even for small projects, this should include date of appointment, design, procurement, installation and completion date (including documentation and training). All key elements of the project should be identified. You should check progress on key elements before they become overdue, rather than when they are already late.

More complex projects which involve coordination with other trades, or installations on a 'live' site which need to minimise disruption may need a more detailed programme, ideally in a GANNT chart format (typical software - Microsoft Project)

Ensure that your timescales are realistic and achievable. Give the supplier time to design, procure, and test. If timescales are unrealistic one small equipment failure or delivery delay will adversely affect the programme.

You should identify your key dates, and instruct your contractor to provide a programme of works as part of his quotation/ tender submission.

Insurances

Contractors should provide evidence of carrying insurances for all risks, public liability, employee liability, as well as professional indemnity insurance if they are carrying out design works.

Schedules of Rates

Ask the contractor to provide a schedule of rates for the addition or subtraction of items that they are providing. This may be per camera type, per m of cable, containment etc. as well as the build-up to the contract sum. Rates for all operatives, including working and 'out of hours' periods should be requested.

Maintenance & Support

Ensure that the contractor provides costs for not only the first year warranty period, but for the maintenance in subsequent years. You should define your expectation for:

- Response for an engineer to attend site
- Availability period (i.e. 24/7 or working hours)
- Call out fees including travel
- Hourly rates for attendance
- Mark up on material costs
- Provision of access equipment and response time to site if required (for instance, mobile access platforms).
- Number of preventative maintenance visits per annum and a schedule of tasks that will be undertaken.

All supplier specific equipment should be identified by your supplier. You should check whether the installer is the only source for support, and be comfortable with a restricted long term choice of maintainer.

A recommended spares list (with costs) should be requested and any items that are critical to the system operation should be purchased and held on site. Do not assume that all maintainers or manufacturers carry all the components all of the time (they don't).



Tender Period

Allow reasonable time for contractors to read the specifications, survey the locations, obtain quotations from their suppliers, and prepare the quotation/ tender return. This period should be at least 2 weeks for a small addition and 4 to 6 weeks for more major installations. A larger contract may justify a formal mid tender meeting to clarify the requirement and answer any questions that have arisen.

Tender Evaluation

Evaluation of tenders, if you are not experienced, is best carried out by a security consultant.

Tenders should contain a technical and commercial compliance matrix with comment against each clause. It takes experience to judge whether or not the solution is actually compliant in theory and to be able to verify it post installation. If systems do not meet the specification contractors should be discounted or asked to resubmit. Alternative bids may be reviewed but to allow parity the base compliant bid should be evaluated 'like for like'.

Trying to compare non-compliant responses will cause confusion, and may lead to a proposal being selected that fails to meet the operational and technical criteria you have set down. Do not take statements of 'equal' for granted without studying the detail.

Like everything else in life, you rarely get a bargain. Study the schedule of rates carefully to look for differences between tenders. It may be that a mistake has been made if one item has a large variance.

Large variations in cost for items such as digital recorders should be thoroughly investigated, ensuring the storage capacity is equal allowing for the correct resolution, frame rate etc.

It may be that you prefer to use your existing supplier for all works, however they are unlikely to always be the cheapest. You will need to balance the long term view against a short term gain; however keeping the process competitive will ensure you can make a true value for money judgement.

Framework Contracts

Where you have a close relationship with a contractor that you wish to continue to use over a period of time, it is not uncommon to enter into a framework or partnership agreement.

This will generally offer the contractor all of your works without requiring a competitive quotation or tender. This can be of benefit for multi-site installations, where consistency of deployment and experience from the same team will give a number of tangible benefits. Such an agreement should allow for pricing by standard schedules of rates for equipment, agreed labour rates, and mark up on non-scheduled items such as subcontracts, perhaps on an 'open book' arrangement.

The contractor should be able to reduce their usual margins as the work is guaranteed and will only involve work that results in a contract. Efficiency should be higher due to greater experience; standardised documentation, improved purchasing power etc.

You will need to audit such agreements on a regular basis,

Professional Contract Assistance

Additional guidance/ assistance can be obtained by employing either a Chartered Engineer with security and contracting experience, or employing a Chartered Quantity Surveyor www.rics.org.uk

