

<b>Title:</b> Introduction of a Surveillance Camera Code of Practice <b>IA No:</b> HO0085  <b>Lead department or agency:</b> Home Office  <b>Other departments or agencies:</b>	<b>Impact Assessment (IA)</b>				
	<b>Date:</b> 21/01/2013				
	<b>Stage:</b> Consultation				
	<b>Source of intervention:</b> Domestic				
	<b>Type of measure:</b> Secondary legislation				
<b>Contact for enquiries:</b> Alastair Thomas, Home Office					
<b>Summary: Intervention and Options</b>					<b>RPC Opinion:</b> RPC Opinion Status

Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, One-Out?	Measure qualifies as
-£12.9m	£N/Am	£N/Am	No	NA

**What is the problem under consideration? Why is government intervention necessary?**

The Government recognises that the use of CCTV and other surveillance camera systems in public places has proliferated over the past decade, and that advances in surveillance technology now and in the future greatly increase the potential to erode civil liberties, particularly the right to respect for private and family life. Furthermore, the absence of bespoke regulation for surveillance camera systems means that there is no single driver of proportionality, accountability, transparency and effectiveness where surveillance is in place. Covert surveillance by public authorities requires authorisation under the Regulation of Investigatory Powers Act 2000 (RIPA), yet there is no coherent framework to ensure that overt surveillance in public places is undertaken with public consent.

**What are the policy objectives and the intended effects?**

Overt surveillance in public places should always be in pursuit of a legitimate aim, necessary, proportionate, effective and compliant with relevant legal obligations. Relevant authorities will be under a duty to have regard to a code of practice, and other system operators will be encouraged to adopt it on a voluntary basis. As a consequence, the Government aims to ensure greater transparency in the use of surveillance, and that systems are capable of providing good quality images and other information which are fit for purpose. Such regulation should complement existing legal obligations and regulatory arrangements arising from the Data Protection Act 1998 (DPA) and RIPA. The intended effect is that the public has confidence surveillance cameras in public places are deployed to protect

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

Option 1: Do nothing

Option 2: Introduce a self-regulatory code of practice containing guidance of relevance to all operators of surveillance cameras in public places and create a Surveillance Camera Commissioner to encourage adoption of that code and provide information and advice on how best to operate within the code. This can be done using powers within the Protection of Freedoms Act 2012. Implementation is intended to be incremental, with an initial duty to have regard to the code placed upon chief police officers, Police and Crime Commissioners and local authorities as Relevant Authorities.

**Will the policy be reviewed?** It will be kept under review with an annual report from the Surveillance Camera Commissioner. **If applicable, set review date:** Month/Year

Does implementation go beyond minimum EU requirements?	Yes				
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	<b>Micro</b> No	<b>&lt; 20</b> No	<b>Small</b> No	<b>Medium</b> No	<b>Large</b> No

What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)	<b>Traded:</b> N/A	<b>Non-traded:</b> N/A
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***I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.***



Signed by the responsible Minister: ..... Date: 26/01/2013 .....

# Summary: Analysis & Evidence

# Policy Option 2

**Description:** Introduce a self-regulatory code of practice relevant to all operators of surveillance cameras in public places.

## FULL ECONOMIC ASSESSMENT

<b>Price Base Year</b> 2013	<b>PV Base Year</b> 2013	<b>Time Period</b> Years 10	<b>Net Benefit (Present Value (PV)) (£m)</b>		
			<b>Low:</b> -£5.4	<b>High:</b> -£25.9	<b>Best Estimate:</b> -£12.9

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	£0.1	1	£0.6	<b>£5.4</b>
<b>High</b>	£0.9		£2.9	<b>£25.9</b>
<b>Best Estimate</b>	£0.4		£1.5	<b>£12.9</b>

### Description and scale of key monetised costs by 'main affected groups'

There are costs for local authorities and police forces in complying with the guiding principles of the code. Most of these costs result from more formal and more transparent review processes taking place. We have calculated these costs using a number of assumptions set out in detail in Section E. These costs will be realised as 'opportunity' costs and so be met from within existing resources.

### Other key non-monetised costs by 'main affected groups'

We have not been able to quantify the costs associated with the outcomes of any additional reviews carried out by relevant bodies. There could be additional costs depending on the outcome of these reviews.

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Benefit (Present Value)</b>
<b>Low</b>	Optional		Optional	<b>Optional</b>
<b>High</b>	Optional		Optional	<b>Optional</b>
<b>Best Estimate</b>	N/K		N/K	<b>N/K</b>

### Description and scale of key monetised benefits by 'main affected groups'

We have not been able to quantify the benefits associated implementing Option 2. This is because of a lack of evidence on the effectiveness of surveillance cameras and the value of individual privacy.

### Other key non-monetised benefits by 'main affected groups'

We expect the benefits associated with implementing Option 2 to increase the effectiveness of existing surveillance camera systems, particularly with regards to preventing and detecting crime, and processing offences through the criminal justice system. Other benefits include those to individuals and society of reversing the substantial erosion of civil liberties and increased state intrusion. This will be achieved through increased accountability and transparency on the part of surveillance camera system operators.

<b>Key assumptions/sensitivities/risks rate (%)</b>	<b>Discount</b>	3.5
<p>We assume that each local authority operates one CCTV system with a control room. We also assume that police forces do not operate any CCTV systems themselves but all make use of CCTV system products. We assume that each police force makes use of one Automatic Number Plate Recognition (ANPR) system. Police CCTV and ANPR systems are assumed to be completely separate, making use of different technical and analytical teams. These and other assumptions are set out in detail in Section E.</p>		

**BUSINESS ASSESSMENT (Option 2)**

<b>Direct impact on business (Equivalent Annual) £m:</b>			<b>In scope of OIOO?</b>	<b>Measure qualifies as</b>
<b>Costs:</b> N/A	<b>Benefits:</b> N/A	<b>Net:</b> N/A	No	NA

# Evidence Base (for summary sheets)

## A. Strategic Overview

### A.1 Background

The increase in Closed Circuit Television (CCTV) and Automatic Number Plate Recognition (ANPR) use - especially in areas to which the public have access - has developed in the absence of a specific regulatory framework. In keeping with the Coalition Agreement commitment to safeguard freedoms and protect civil liberties we believe it essential, in terms of proportionality and retaining public confidence, that CCTV and ANPR are appropriately regulated.

The Protection of Freedoms Act 2012 provides the legal basis to fulfil our ambition that where CCTV and ANPR systems are necessary, their deployment is proportionate, transparent and effective and can be characterised as surveillance by consent. This legislation requires the Home Secretary to prepare and issue a code of practice as guidance on the use of surveillance cameras, and to appoint a Surveillance Camera Commissioner to encourage compliance with the code, review its operation, and provide advice about it.

The following regulation already applies to surveillance cameras:

- Images captured by CCTV and vehicle registration numbers captured by ANPR amount to personal data and are therefore covered by the Data Protection Act 1998 (DPA);
- The Information Commissioner is able to consider possible breaches of the DPA in terms of the handling of such data and has issued guidance on CCTV usage and its relationship to the DPA; and
- The Human Rights Act 1998 gives effect in UK law to the European Convention of Human Rights including Article 8 which sets out a qualified right to respect for privacy and family life. The general duty placed upon a public authority under the HRA applies to any use of surveillance camera systems
- There are safeguards under the Regulation of Investigatory Powers Act 2000, relating to the covert use of CCTV.

### A.2 Groups Affected

The groups that would be affected by the proposals are operators of CCTV and ANPR systems and cameras, and those who use or process the images and information gathered by such systems. In particular local authorities, police forces and Police & Crime Commissioners (PCCs) who are placed under a duty to have regard to the code by s33 of the Protection of Freedoms Act 2012. Whilst PCCs are not expected to be system operators or to use or process images and information, they do set the budgets and priorities for police forces and therefore have significant influence over how the policing needs of their communities are met.

Other system operators and those who use or process the images and information gathered by CCTV and ANPR will be encouraged by the Surveillance Camera Commissioner to adopt the code of practice on a voluntary basis, and there could be an indirect impact upon businesses that design, install and maintain systems.

### A.3 Consultation **Within Government**

The Home Office has developed these proposals in consultation with the following Government departments: Communities and Local Government, Department for Transport, Wales Office, Welsh Government, Ministry of Justice, and Department for Education

## Public Consultation

A wide range of interested parties were consulted over the nature of the code of practice in a twelve week consultation exercise which ended in May 2011. The Government response to that consultation was published in December 2011<sup>1</sup> and listed the respondents.

Since then, there has been further informal consultation with key interested parties<sup>2</sup>, including the circulation of an early draft of the code of practice. Ongoing engagement and consultation both formal and informal has helped to shape both the nature of the regulatory framework and the code of practice, and to inform the detail of the code of practice. For example, feedback on an early draft helped to determine the structure of the draft code, to ensure there was greater clarity over the demarcation with regulation under the Data Protection Act 1998, and how best to approach the inclusion of technical and occupational standards. This impact assessment accompanies a period of statutory consultation over the preparation of the code. This consultation is seeking responses from bodies the Home Secretary is under a statutory duty to consult, bodies which will be placed under a duty to have regard to the code as relevant authorities, and those who appear to represent civil liberties interests or the wider surveillance camera community. Consultation will seek views on the scope and the clarity of the draft code of practice, and whether the three non territorial police forces and the Serious Organised Crime Agency should be placed under a duty to have regard to the code.

## B. Rationale

Over the past decade, there has been a steady erosion of historic civil liberties alongside the rise of the surveillance society and the database state. This Coalition Government is pledged to restore the rights of individuals and safeguard civil liberties in keeping with Britain's tradition of freedom and fairness. In the Coalition's programme for government<sup>3</sup>, they committed to implementing a full programme of measures to reverse the substantial erosion of civil liberties and to roll back state intrusion. As part of this programme, they undertook to further regulate CCTV. The ongoing development of digital technology creates some very real challenges in ensuring that a system is able to provide the benefits expected of it. Whilst there are differences between CCTV and ANPR systems, given the many similarities between the two systems which both use surveillance cameras to capture and store images, it was decided also to include ANPR.

## C. Objectives

The central aim of this policy is to ensure that wherever overt surveillance in a public place is necessary in pursuit of a legitimate aim the response is proportionate, paying regard to privacy considerations, transparent and effective. A set of success criteria for the code of practice has been developed as follows.

- 1) Provide clarity over purpose and scope, particularly in defining surveillance camera systems, public place, overt use and privacy .

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<sup>1</sup> The consultation document and the Government response can be found at: <http://www.homeoffice.gov.uk/publications/consultations/cons-2011-cctv/>

<sup>2</sup> Key interests consulted were representative of surveillance camera operators, the security industry and civil liberties organisations.

<sup>3</sup> HM Government, 2010, *The Coalition: our programme for government*. This document can be accessed here: [http://www.cabinetoffice.gov.uk/sites/default/files/resources/coalition\\_programme\\_for\\_government.pdf](http://www.cabinetoffice.gov.uk/sites/default/files/resources/coalition_programme_for_government.pdf)

- 2) Be easily understood by both the public and system operators alike.
  - 3) Ensure system operators are transparent and proportionate in balancing privacy and security considerations in any systems deployment, and they regularly review if the system meets its stated purpose.
  - 4) Improve effectiveness of surveillance camera systems in providing better quality and more accessible images for use in the criminal justice system.
  - 5) Enable the management of public safety (including the investigation and detection of crime).
  - 6) Further help ensure compliance with other legislation affecting the use of surveillance cameras systems, such as the HRA, DPA and RIPA, with no contradictions or inconsistencies and minimal gaps or overlaps.
  - 7) Follow better regulation principles, introducing minimal bureaucracy and regulatory burdens.
  - 8) Include sufficient flexibility to respond to developments in technology and occupational standards.
  - 9) Be capable of differentiating between different purposes of surveillance camera system.
  - 10) Secure widespread voluntary adoption by system operators.
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## D. Options

Option 1 is to make no changes (do nothing).

Option 2 Introduce a self-regulatory code of practice of relevance to all operators of surveillance cameras in public places and create a Surveillance Camera Commissioner<sup>4</sup> to encourage compliance and its wider adoption and provide information and advice on how best to operate within the code. This can be done using powers within the Protection of Freedoms Act 2012. Implementation is intended to be incremental, with an initial duty to have regard to the code placed upon the chief police officers, Police and Crime Commissioners and local authorities<sup>5</sup>. A Code of Practice has been drafted around 12 key guiding principles and is the subject of further consultation.

## E. Appraisal (Costs and Benefits)

### GENERAL ASSUMPTIONS & DATA

The draft code of practice has been developed around 12 guiding principles. This appraisal section considers the costs of each of those guiding principles in turn for the relevant authorities that are likely to be affected by the introduction of Option 2. Only those costs that are additional to

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<sup>4</sup> Andrew Rennison's appointment as Surveillance Camera Commissioner was announced on 13<sup>th</sup> September 2012 (Hansard Col 14WS)

<sup>5</sup> Here the term 'local authorities' generalises a number of relevant authorities set out in Section 33(5) of the Protection of Freedom Act 2012 and includes a local authority, the Greater London Authority, the Common Council of the City of London in its capacity as a local authority, the Sub-Treasurer of the Inner Temple or the Under-Treasurer of the Middle Temple, in their capacity as a local authority, the Council of the Isles of Scilly, a parish meeting constituted under section 13 of the Local Government Act 1972.

the costs of the baseline, 'do nothing' Option 1 are considered. Benefits are considered generally, rather on a principle-by-principle basis. We have only included costs and benefits to relevant authorities in this appraisal section, costs or benefits to business from implementing Option 2 have not been included. This is because only relevant authorities will have a duty to regard the Code and not businesses. As there is no regulation compelling businesses to comply with the code, we assume that any business which chooses to implement the code and abide by the guiding principles does so because they have decided there is a net benefit for them from doing so.

There are limited data available on the use of CCTV and ANPR systems in England and Wales which provide a comprehensive national picture of their use. This makes accurately assessing the costs and benefits of our policy options more difficult. Instead, we have had to make assumptions about how many systems are operated by the relevant authorities likely to be affected under Option 2. General assumptions are set out here, while assumptions relevant to individual guiding principles are set out within the appraisal of each principle. These assumptions may prove to be inaccurate but, given the lack of comprehensive data in this area, they were necessary for our appraisal.

As the number of CCTV systems in use by relevant bodies is not collected centrally, we assume that each local authority<sup>6</sup> operates one system with a control room dealing with all CCTV systems in each local authority. We also assume that each territorial police force<sup>7</sup> does not operate any CCTV cameras themselves but all make use of CCTV system products. We assume that each police force makes use of one ANPR system. Police CCTV and ANPR systems are assumed to be completely separate, making use of different technical and analytical teams. This may not be the case in all forces so could lead to some overestimation of costs as there could be some economies of scale. As only the 43 territorial police forces are relevant authorities, we have estimated police costs on the basis of these forces. The consultation will, however, seek views on whether the three non territorial police forces<sup>8</sup> and the Serious Organised Crime Agency should also be placed under a duty to have regard to the Code. If views expressed in consultation indicate on balance that any of those bodies should become a relevant authority, then the police costs presented in this impact assessment will underestimate the total police costs. Updated police costs will be presented in a final stage impact assessment with any necessary adjustment.

Where costs have been quantified, we have estimated upper and lower bounds as well as best estimates to provide a range within which costs are likely to fall. These upper and lower bounds are likely to be the extreme values which the costs could take. They capture the varying levels of compliance with the guiding principles that already exist among police forces and local authorities. The lower bound assumes that 50 per cent of forces and local authorities are already compliant with each principle, while the upper bound assumes no forces or local authorities are compliant. The best estimate is assumed to be the midpoint of these, with 25 per cent of forces and local authorities already compliant with the guiding principles. Where guiding principles reiterate existing legislative requirements, either under the Data Protection Act or the Human Rights Act, we have assumed that there is full compliance with these guiding principles and, therefore, no additional costs or benefits. There are other assumptions that are used to estimate the upper and lower bounds which relate to individual guiding principles; these are discussed as they arise.

The analysis makes use of unit costs of police force and local authority time. The hourly unit costs used are presented, together with their sources, in Table E.1.

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<sup>6</sup> Assuming there are 350 local authorities.

<sup>7</sup> All 43 territorial police force areas are designated as relevant authorities under the Protection of Freedoms Act 2012. The British Transport Police and other special police forces are not relevant authorities and so have not been included in this analysis.

<sup>8</sup> The British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police.



Table E.1: Unit costs used in this analysis

	Unit cost	Source
Police <sup>1</sup>		
- Inspector and above	£61.80	Home Office estimates using ASHE and CIPFA data, 2013 prices
- Sergeant and below	£37.81	
Local authority		
- Elected official	£21.18	Taken from ASHE data including non-wage labour costs, 2013 prices
- Administrative occupation	£14.76	

Notes:

1. Police unit costs were estimated using ASHE and CIPFA data from 2008 and include non-wage labour costs. These were then uprated to account for inflation using the HM Treasury deflator series.
2. Local authority unit costs were taken from ASHE data for 2011. Standard assumptions of 21% non-wage labour costs for the employer have been included. Prices were then uprated to account for inflation using the HM Treasury deflator series.
3. All unit costs have been uprated to account for inflation to 2012/13 prices using the HM Treasury GDP deflator series. All costs there fore are presented in 2012/13 prices.

The Surveillance Camera Commissioner's role is not specifically considered in the following appraisal section. The work of the Commissioner is to promote compliance and wider adoption of the code, review its operation and provide advice about it. As such, the entire running costs of the Commissioner are relevant. These costs are approximately £250,000 per year<sup>9</sup> and are covered by existing budgets. Other regulators whose scope could include surveillance cameras, such as the Information Commissioner, may incur additional ongoing costs through maintaining relationships with the Surveillance Camera Commissioner. These will replace any costs of maintaining relationships with the Interim Commissioner and so are not considered in this impact assessment.

## **OPTION 2 – Introduce a self-regulatory code of practice**

### **COSTS**

#### **Transition costs**

Transition costs could arise through training being required for all relevant bodies that will have a duty to have regard for the Code of Practice. This process of familiarisation will vary depending on the organisation but could involve a short training course, or revised guidance for individuals to read. Assuming that there are between 1 and 5 staff members for each local authority, and 5 and 10 staff members for each police CCTV and ANPR teams then if familiarisation requires an hour of staff time it will cost between approximately £20,000 and £60,000 based on the unit costs presented in Table E.1. This cost will be an opportunity cost for local authorities and police forces and is likely to replace other training on the use of CCTV or ANPR that these teams complete. These familiarisation costs are likely to be an underestimate as forces could decide that other police officers and staff who use CCTV and ANPR will require training in order to comply with the code. We cannot predict what this training will be so we have not been able to estimate these costs. Police forces and local authorities could also choose to develop their own training or guidance for operatives and analysts, which would incur additional costs but we have not been able to estimate these.

There may be additional transition costs for police forces in order to comply with principle 3. In order to be as transparent as possible about the use of ANPR within a force, forces may wish to erect additional signs highlighting that ANPR systems are used within the force area. We do not know how many forces already have these signs or how many would wish to erect new signs but this could be an additional, one-off cost<sup>10</sup> resulting from Option 2. We assume that on average forces will have a total of 20 signs in order to be transparent about their use of ANPR. 20 signs is an estimate based on the number of major routes into a police force area. Using our lower and upper

<sup>9</sup> See previous impact assessment for further details. Home Office, 2011, *Consultation on a Code of Practice Relating to Surveillance Cameras: Impact Assessment*: <http://www.homeoffice.gov.uk/publications/consultations/cons-2011-cctv/cons-ia-cctv?view=Binary>

<sup>10</sup> We assume that these costs will be one-off following implementation of the Code by relevant authorities.

bounds for assumptions on existing compliance and assuming that erecting a new sign costs between £100 and £1,000<sup>11</sup>, this is estimated to cost between £43,000 and £860,000 with a best estimate of approximately £355,000. These costs will be met from existing police budgets.

Relevant authorities may face additional transition costs if they decide to renegotiate existing contracts with suppliers of equipment. These costs could include relevant authorities taking legal advice, drawing up new contracts, and negotiating any changes. As we cannot anticipate how many relevant authorities will wish to make these changes we have not been able to estimate these costs.

Businesses can voluntarily comply with the Code of Practice and may incur costs in doing so. However, it is reasonable to assume that any decision to comply with the Code (and incur transition costs) would be outweighed by the benefits of doing so.

There could be additional transition costs to other regulators who have previously issued guidance on operating and using surveillance camera systems. This would include the Information Commissioner's Office and the Chief Surveillance Commissioner. These regulators may spend time ensuring that their guidance on surveillance cameras is aligned with the Code of Practice. We have not been able to estimate these costs as there are no estimates of how long this might take. These costs are likely to be minimal and will not apply to any future guidance issued.

As an Interim CCTV Regulator has been in place since 2009 there should be minimal transition costs for setting up the role of Surveillance Camera Commissioner. As mentioned above, the running costs of the Commissioner will be met out the existing budget for the Interim CCTV Regulator and so are not considered in this impact assessment.

## **COSTS**

To appraise the costs of implementing Option 2, each principle will be appraised in turn.

Guiding Principle 1: Use of a surveillance camera system should always be for a specified purpose which is in pursuit of a legitimate aim and necessary to meet an identified pressing need.

This principle is unlikely to result in any additional costs for relevant authorities as CCTV or ANPR systems are only set up where there is demand for them and where a clear need is identified. This is also an existing requirement of the Data Protection Act (DPA) and Human Rights Act (HRA). In some cases there may be additional time required to document and make clear this purpose but anecdotal evidence suggests that this was already done when setting up any system.

Guiding Principle 2: Use of a surveillance camera system must take into account its effect on individuals and their privacy, with regular reviews to ensure its use remains justified.

There is no statutory requirement to undertake a privacy impact assessment, yet we understand many organisations already do so to ensure they fulfil legal obligations of the DPA and HRA. We expect to see these reviews carried out more widely by relevant authorities following implementation of Option 2, and that the scale of these reviews will be proportionate to that of the system.

For this appraisal, we have assumed that these reviews into the use of CCTV or ANPR systems will be annual. Each local authority will need to complete a review of their CCTV system each year. Police forces will only need to review their ANPR systems as forces do not tend to operate CCTV systems. Some forces and local authorities will already be reviewing their systems and considering approved standards as part of assuring that legal obligations are being met and the system meets its stated purpose. So the assumptions on existing compliance from the beginning of this appraisal section are used in this analysis. Following anecdotal evidence from a range of public space camera operators, we assume that a review will require between 10 and 50 hours of staff time to complete and 1 to 5 hours for a senior official to sign-off.

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<sup>11</sup> This is based on the costs of buying a new road sign.

Following these assumptions and using the compliance assumptions stated at the beginning of this appraisal section, we estimate that this will cost local authorities between approximately £29,000 and £290,000 each year to complete. The best estimate is approximately £125,000. We estimate that this will cost police forces between approximately £10,000 and £95,000. The best estimate is approximately £41,000. Table E.2 presents the volumes and costs for each of the lower and upper bounds, as well as the best estimate. The costs considered under this principle will be realised as opportunity costs.

Table E.2: Costs of principle 2

	Lower bound	Upper bound	Best estimate
Local authorities			
Cost per review	£165	£825	£475
Volume	175	350	263
Police (ANPR)			
Cost per review	£440	£2,200	£1,260
Volume	22	43	32
Total annual costs	£49,000	£390,000	£170,000

**Notes:**

1. Total costs have been rounded to 2 significant figures.
2. Costs per review and volumes are rounded to the nearest integer.

The outcome of these reviews could lead to changes being made to the use of existing systems. In the most extreme case, the review could recommend that a camera be decommissioned which is likely cost between £2,000 and £5,000. As we cannot anticipate the outcomes of these reviews, we have not included any such costs in this appraisal.

Guiding Principle 3: There must be as much transparency in the use of a surveillance camera system as possible including a published contact point for access to information and complaints. Following the introduction of Option 2, we expect there to be greater transparency in the use of surveillance camera systems than under current Data Protection Act obligations.

There is no prescription of how a relevant authority might comply with this principle so, for the purpose of this impact assessment, we have assumed information about a surveillance camera system will be published on a local authority or police force website. We assume that this requires one hour of staff time per month, a total of 12 hours each year. As stated at the beginning of this appraisal section, we assume that police forces will use separate teams to prepare and publish information about their use of CCTV and ANPR. This is estimated to cost between approximately £50,000 and £100,000 each year.

There could be additional costs as a result of this principle if relevant authorities decide to further consult members of the public on how they use surveillance cameras. We would expect this to involve amending existing feedback procedures as well as forming part of other reviews considered under these guiding principles. As such, we would expect any additional costs to be minimal. However, we have not been able to estimate any additional costs of amending existing consultations.

The costs considered under this principle will be realised as opportunity costs.

Guiding Principle 4: There must be clear responsibility and accountability for all surveillance camera system activities including images and information collected, held and used. For police forces, this is unlikely to add new burdens or additional costs as there are already robust processes and governance systems in place that cover CCTV and ANPR systems. For local authorities there are existing local governance structures which CCTV systems may form part of or could be part of. It is more likely that changes will need to be made to current responsibility and

accountability procedures within local authorities. As, in most cases, scrutiny and oversight arrangements will already be in place the additional costs of this principle are likely to be minimal.

Guiding Principle 5: Clear rules, policies and procedures must be in place before a surveillance camera system is used, and these must be communicated to all who need to comply with them. For police forces this is unlikely to add new burdens, as forces do not tend to operate any CCTV systems, and this principle is already required for ANPR systems through the National ACPO ANPR Standards. Even where there is no statutory licensing requirement for staff to have a public space surveillance (CCTV) licence, it is good practice for system operators to ensure that relevant staff<sup>12</sup> have the necessary skills and knowledge. While most local authorities' staff will already have received the appropriate training, this principle could encourage further internal training and higher occupational standards. Local authority staff should have an equivalent BTEC level 2 qualifications in CCTV operations which require completion of a 5 day course costing local authorities around £50 to enter candidates.

Police forces may decide to amend training of their officers and staff who use products from CCTV systems. These costs are likely to fall under the transition costs detailed in the beginning of this appraisal section.

Guiding Principle 6: No more images and information should be stored than that which is strictly required for the stated purpose of a surveillance camera system, and such images and information should be deleted once its purpose has been discharged. This is a legislative requirement under the Data Protection Act 1998 so we assume that it is highly likely that local authorities and police forces are already compliant with this principle. As a result there are no additional costs to be considered.

Guiding Principle 7: Access to retained images and information should be restricted and there must be clearly defined rules on who can gain access and for what purpose such access is granted; the disclosure of images and information should only take place when it is necessary for such a purpose or for law enforcement purposes. This is a legislative requirement under the Data Protection Act 1998 so we assume that it is highly likely that local authorities and police forces are already compliant with this principle. As a result there are no additional costs to be considered.

Guiding Principle 8: Surveillance camera system operators should consider any approved operational, technical and competency standards relevant to a system and its purpose and work to meet and maintain those standards. Advice on approved standards will be provided by the Surveillance Camera Commissioner and forces and local authorities will be expected to check that their CCTV and ANPR systems are compliant with these standards. The cost of these reviews has been estimated assuming that it requires two people between one and three weeks to complete a review and then one hour of senior officer time to check or approve the results. Unit costs are between £1,100 and £3,300 for local authority reviews and £2,900 and £8,600 for police reviews. Local authorities will need to complete reviews of their CCTV systems, while police will only need to review their ANPR systems as police forces do not tend to operate CCTV systems. Some forces and local authorities will already be reviewing their systems and considering approved standards where these are available so the assumptions on existing compliance from the beginning of this appraisal section are used in this analysis. The costs considered under this principle will be realised as opportunity costs. The total costs of these reviews are presented in Table E.3.

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<sup>12</sup> Those who either manage or use surveillance camera systems, or use or process the images or information obtained from those systems.

Table E.3: Costs of principle 8

	Lower bound	Upper bound	Best estimate
Local authorities			
Cost per review	£1,100	£3,300	£2,200
Volume	175	350	263
Police (ANPR)			
Cost per review	£2,900	£8,600	£5,700
Volume	22	43	32
<b>Total annual costs</b>	<b>£260,000</b>	<b>£1,500,000</b>	<b>£770,000</b>

Notes:

1. Total costs have been rounded to 2 significant figures.
2. Costs per review and volumes are rounded to the nearest integer.

The outcome of these reviews could lead to improvements being made but, as these outcomes are not known, we cannot predict what the costs of any improvements will be.

Relevant authorities could decide to use external accreditation processes to ensure their systems meet approved standards in order to improve transparency. Where this happens, we would expect the costs of these reviews to remain about the same. However, these costs would no longer be opportunity costs for relevant authorities.

Guiding Principle 9: Surveillance camera system images and information should be subject to appropriate security measures to safeguard against unauthorised use.

This is a legislative requirement under the Data Protection Act 1998 so we assume that it is highly likely that local authorities and police forces are already compliant with this principle. As a result there are no additional costs to be considered.

Guiding Principle 10: There should be effective review and audit mechanisms to ensure legal requirements, policies and standards are complied with in practice, and regular reports should be published.

While some local authorities and police forces are already be completing reviews and audits of their use of surveillance cameras<sup>13</sup>, not all relevant authorities will be publishing regular reports of their findings as this is a new requirement under the Code of Practice. This principle could result in additional costs both in terms of issuing guidance, potentially from the Surveillance Camera Commissioner, or possibly from the Local Government Association (LGA), the Welsh Local Government Association (WLGA), or ACPO, and in completing the reviews.

The costs of issuing guidance are likely to be transition costs but could not be estimated. The cost of a review is assumed to require a week of time to put together and an additional five hours of clearance by a senior official or officer. The unit costs of carrying out these reviews are estimated to be approximately £650 for local authorities, and £1,700 for police forces. These unit costs may increase if external consultation is required. Table E.4 represents the costs of this principle. We assume that police forces will produce separate reports for CCTV and ANPR systems. If this is not the case, there could be some efficiency savings to be made against the costs presented in Table E.4. The costs of publishing information from the reviews and audits could form part of the costs assumed to occur under Principle 3 as it will involve forces and local authorities being more transparent in their use of surveillance camera systems. The costs considered under this principle will be realised as opportunity costs.

<sup>13</sup> See Cambridge City Council or Royal Borough of Kingston upon Thames for examples.

Table E.4: Costs of principle 10

	Lower bound	Upper bound	Best estimate
Local authorities			
Cost per review	£650	£650	£650
Volume	175	350	263
Police (ANPR)			
Cost per review	£1,700	£1,700	£1,700
Volume	43	86	65
Total annual costs	£190,000	£380,000	£280,000

Notes:

1. Total costs have been rounded to 2 significant figures.
2. Costs per review and volumes are rounded to the nearest integer.

As for Principle 8, there may be recommendations coming out of these reviews that will result in further additional costs for relevant bodies. In the most extreme case, the review could recommend that a camera be decommissioned which is likely cost between £2,000 and £5,000. As we cannot anticipate the outcomes of these reviews, we have not been able to estimate these costs.

Guiding Principle 11: When the use of a surveillance camera system is in pursuit of a legitimate aim and a pressing need, it should then be used in the most effective way to support public safety and law enforcement with the aim of processing images and associated information of evidential value

Given anecdotal evidence provided by CCTV and ANPR system operators, we do not expect this principle to create any new requirements for relevant authorities to comply with. As a result, there are unlikely to be any additional costs.

Guiding Principle 12: Any information used to support a surveillance camera system which matches against a reference database for matching purposes should be accurate and kept up to date.

There will be no additional costs for local authorities resulting from this principle as they are not expected to hold any information against which matches could be made. Police forces are likely to have lists against which matches can be made; for example, registration numbers of vehicles of interest which are associated with a crime or reported stolen to support an ANPR system. These lists need to be kept up to date in order to be most effective when used with surveillance camera systems. Police forces are likely already to be keeping these lists up to date but we have assumed that an additional hour of staff time each week will be required to make sure all relevant information is included. This will be relevant for lists used in conjunction with both CCTV and ANPR systems. With the different levels of compliance assumed, this is estimated to cost police forces between approximately £85,000 and £170,000 each year, with a best estimate of approximately £130,000 each year.

### Non quantified costs

Aside from the non-quantified costs raised under each principle, there could be some additional costs for Police and Crime Commissioners (PCCs) as a result of implementing Option 2. While the guiding principles individually are unlikely to result in direct costs for PCCs, as they are not expected to be system operators, their wider strategic role in planning and resourcing will include decisions about the use of CCTV and ANPR systems and information in their force. PCCs will have a duty to have regard for the code so we assume they will do so when considering the use of CCTV and ANPR in their force. This could lead to additional costs. We would expect these to be minimal, but we have not been able to quantify them.

## Total costs

Table E.5 presents the annual costs of the guiding principles as well as the total annual cost and the present value (10 year) costs of implementing Option 2.

Table E.5: Total costs of Option 2

	Lower bound	Upper bound	Best estimate
Principle 1	-	-	-
Principle 2	£39,000	£390,000	£168,000
Principle 3	£50,500	£101,000	£75,800
Principle 4	-	-	-
Principle 5	-	-	-
Principle 6	-	-	-
Principle 7	-	-	-
Principle 8	£260,000	£1,520,000	£772,000
Principle 9	-	-	-
Principle 10	£190,000	£379,000	£284,000
Principle 11	-	-	-
Principle 12	£85,000	£169,000	£127,000
Average annual costs	£623,000	£2,900,000	£1,460,000
Present value costs	£5,450,000	£25,900,000	£13,000,000

### Notes:

1. All costs have been rounded to 3 significant figures.
2. Present value costs include transition costs discussed at the beginning of the appraisal section.

The costs presented in Table E.5 will be realised as opportunity costs and so will not require the use of additional resources. We expect that they would replace other activities currently undertaken by surveillance camera operators.

## BENEFITS

Surveillance cameras are used for a range of purposes each of which have a number of benefits for improving and enhancing the management of public safety, including the prevention and detection of crime. We expect that the introduction of the Code of Practice will increase the effectiveness of surveillance camera systems largely through the more consistent adoption of approved technical and operational standards. Standardisation of training across camera operators as well as consistency in the technical standards for cameras and data storage should mean that the information and intelligence provided by surveillance cameras can be used more effectively. However, as there is little quantified evidence on the current effectiveness of surveillance cameras we have not been able to quantify any increase in effectiveness.

Other additional benefits associated with implementing the Surveillance Camera Code of Practice (Option 2) are as follows:

- i. Improve effectiveness of surveillance camera systems by providing better quality and more accessible images for use by the police and in the Criminal Justice System. This will be achieved through improved interoperability between digital systems, and the availability of better quality images with greater integrity being available as evidence of an incident. These improvements could include benefits for the Criminal Justice System by increasing the number of early guilty pleas<sup>14</sup> and helping to secure convictions which would lead to savings for the Criminal Justice System. There could be additional savings for the police of more efficient investigations if higher quality evidence is available to the police more quickly.
- ii. Reducing the risk that society feels overexposed to CCTV through greater transparency and accountability in the use and management of surveillance camera systems. The introduction of

<sup>14</sup> Anecdotal evidence from investigative police officers suggests that offenders are more likely to admit to a crime when faced with clear CCTV evidence.

the Code of Practice will help ensure that surveillance camera systems have clearly stated purposes as well as contacts for any complaints.

- iii. Greater transparency around the location and use of surveillance cameras could lead to fewer Freedom of Information requests<sup>15</sup> being received by relevant authorities. This would result in savings to relevant authorities of up to £450 for each request not submitted<sup>16</sup>.

We have not been able to quantify these benefits as we lack sufficient evidence and data to be able to do so. To be able to quantify the benefits stated above, we would need the following information.

- i. We would need robust and consistent evidence on the current effectiveness of surveillance camera systems in England and Wales. This should ideally provide an estimate of the number of crimes prevented as a result of the presence of a surveillance camera system as well as the number of crimes prosecuted using evidence from surveillance camera systems. From this we could be able to make assumptions on the potential benefits from improved effectiveness, both in terms of a reduction in the number of crimes committed and in terms of swifter criminal justice system outcomes. While there are several papers addressing the effectiveness of CCTV systems<sup>17</sup>, none provide conclusive or robust evidence as to its effectiveness. In addition, several of the stakeholders we have spoken to highlighted local difficulties in trying to evaluate their use of CCTV and ANPR systems.
- ii. We would need a monetised estimate of the level of public anxiety about overexposure to surveillance cameras and an estimate of the extent to which this would be reduced by Option 2. Neither of these estimates, to our knowledge, exists nor could they be estimated without considerable resource and time. However, it can be inferred through the extent of public support for the Code of Practice, demonstrated by consultation responses.
- iii. The number of Freedom of Information (FOI) requests made on any topic is not collected centrally. In order to be able to estimate the potential savings to relevant authorities, we would need to know the number of FOI requests made to relevant authorities regarding surveillance camera systems. We would then have to make an assumption about how this might be affected as a result of improved transparency. As FOI requests which would result in a cost of more than £450 can be turned down, we assume that the maximum cost of completing an FOI request is £450. This would therefore be the maximum saving per request if the number of FOI requests reduced as a result of introducing the Code of Practice.

### **ONE-IN-ONE-OUT (OIOO)**

This option is not within the scope of one-in-one-out

## **F. Risks**

### **OPTION 2 – Introduce a self-regulatory code of practice**

There is some possibility that the impact and effectiveness of the code of practice will be limited due to the lack of relevant inspection or enforcement powers in the Protection of Freedoms Act 2012. If this is the case then the code could fail to significantly raise public confidence in the use of overt surveillance in public places. In order to mitigate this risk, the Surveillance Camera Commissioner will have a statutory function to review the operation of the code of practice, and

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<sup>15</sup> Requests made to any public sector organisation under the Freedom of Information Act.

<sup>16</sup> Information on [www.gov.uk](http://www.gov.uk) highlights that organisations can turn down any Freedom of Information requests if they think it will cost more than £450 to deal with.

<sup>17</sup> Including Gill M., Little R., Spriggs A., Allen J., Argomaniz J., & Warples S., (2005) *Assessing the Impact of CCTV*, Home Office: London and Welsh B. C., & Farrington D. P., *Effects of Closed Circuit Television Surveillance on Crime*, Campbell Systematic Reviews. Gill *et al* (2005) found that, out of 13 QED studies evaluated, only one showed a significant reduction in crime in the treatment versus control area which could not be explained by the presence of confounding variables. The calculated benefit-cost ratio for the system in this single study was 0.67:1. However, this rises to 1.27:1 for high risk areas only. The Campbell review (Welsh and Farrington, 2008) analysing 44 studies found that while CCTV does not prevent violence on the open street, it leads to a drop in vehicle crimes by one-quarter (by one-half if CCTV surveillance is in a car park). Singling out the effect of CCTV surveillance in parking facilities is difficult because other initiatives are often implemented alongside (e.g. security guards, better lighting).



provide advice to Ministers on any additional benefits that could be secured through amending the statutory basis of regulation.

Other risks associated with Option 2 include:

- system operators who are not specified as a relevant authority do not adopt the code voluntarily and public confidence in the majority of surveillance systems is eroded. The legislation does, however, allow for additional bodies to be made relevant authorities (by Order) and subsequently have a duty to have regard to the code. Any such extension would be the subject of consultation with the bodies affected and a specific impact assessment.
- a relevant authority may be taken to judicial review as a consequence of any challenge over whether its decision making has been consistent with a duty to have regard to the code. Such legal proceedings would be likely to have cost implications for that relevant authority.
- introduction of the Code of Practice could result in indirect impacts for businesses that design, install, and maintain surveillance camera systems. As the Code is non-prescriptive, we cannot predict what these impacts might be or whether the impact will be positive or negative. However, implementation of the Code by relevant authorities could lead to authorities reviewing or amending their contracts with surveillance camera firms.
- Assumptions made in this impact assessment in order to estimate the costs of implementing the Code of Practice could not be accurate which would lead to the changes to the stated costs. This could include assumptions made around police operation of CCTV systems. We have presented lower and upper bounds to indicate the possible impact of any error in our assumptions.
- Introduction of the Code of Practice could increase the number of complaints received by relevant authorities for failure to follow the code. Dealing with these complaints could incur additional costs for relevant authorities not considered in this impact assessment.
- In the case of a breach of the Code of Practice, there is a risk of litigation between relevant authorities and their contractors over who is responsible for the breach. If a legal challenge is brought against a relevant authority this is likely to incur additional costs.

## **G. Enforcement**

The proposals assume self regulation to a large degree. However, local authorities, chief officers of police forces and police and crime commissioners will be required to have regard to the Code, and the new Surveillance Camera Commissioner will monitor and report on progress against the Code.

## H. Summary and Recommendations

The table below outlines the costs and benefits of the proposed changes.

<b>Option</b>	<b>Costs</b>	<b>Benefits</b>
<b>2</b>	£12.9m (PV over 10 years)	£N/A (PV over 10 years)
	Cost to Local authorities and police forces of implementing the guiding principles of the CCTV code of practice.	Benefits to Criminal Justice System of more early guilty pleas and convictions secured. Further benefits to society of reducing overexposure to surveillance cameras. We could not quantify these benefits as there are not enough data to assess the likely impacts.
Source: Home Office analysis		

The majority of costs considered in this impact assessment will be realised as opportunity costs and so not require any additional resources to be deployed. Where users are already adopting good practice any adjustments are likely to be minor and may result in cost savings. Where expenditure might be required – for example on training or new equipment it will be open to users to pace any such expenditure as necessary to absorb it within normal running or replacement costs. The ongoing improvements to technical and operational standards that will result from the code of practice are likely to improve the effectiveness of surveillance camera systems. It is possible that unquantified benefits would outweigh costs, turning the NPV positive. However, a lack of evidence means we cannot base firm judgement on this.

## I. Implementation

The Implementation timetable will be dependent on the will of Parliament in the approval of an Order so that the code can come into force. Subject to the outcome of statutory consultation and progress elsewhere, we anticipate a draft Order being laid before Parliament in April 2013 and being brought into effect following approval.

## J. Monitoring and Evaluation

The monitoring and evaluation of the effectiveness of the Code will be the role of the new Surveillance Camera Commissioner who will report to Ministers and will keep progress under review.

## K. Feedback

Statutory consultation over the preparation of the code of practice will also seek comments on this consultation impact assessment. Any such comments can be submitted online at **[insert url here]** or by post to the Home Office, Police Transparency Unit, 6<sup>th</sup> Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF

## **L. Specific Impact Tests**

### **1 Statutory Equality Duties**

1.1 We do not anticipate any impacts on equalities issues as a result of these proposals.

### **2 Economic Impacts**

#### Competition Assessment

2.1 We do not anticipate any competition impacts as a result of these proposals.

#### Small Firms Impact Test

2.2 We do not anticipate any small firm impacts as a result of these proposals. The requirement to have regard for the Code may be extended to other organisations such as small firms in the future, although this would not be done without consultation.

### **3 Environmental Impacts**

#### Greenhouse gas impacts

3.1 We do not anticipate any greenhouse gas impacts as a result of these proposals

#### Wider Environmental Issues

3.2 We do not anticipate any environmental impacts as a result of these proposals.

### **4 Social Impacts**

#### Health and Well-being

4.1 We would expect the well-being of society to be improved as a result of these proposals as any overexposure to surveillance cameras should decrease.

#### Human Rights

4.2 These proposals are compatible with the Human Rights Act 1998. One of the reasons behind further regulation of CCTV and ANPR is the need to safeguard freedoms and protect civil liberties.

#### Justice

4.3 We would expect benefits to the Criminal Justice System as a result of these proposals as more effective use of surveillance camera systems through implementation of the Code of Practice should improve evidence for use in criminal proceedings. This should help increase the number of early guilty pleas and convictions secured.

#### Rural Proofing

4.4 We would expect these proposals will have a greater impact on urban rather than rural areas as CCTV tends to be concentrated in urban areas.

### **5 Sustainability**

#### Sustainable Development

5.1 These proposals are consistent with the principles of sustainable development.

**END**