



Unlocking Commercial Potential:

## Overcoming Legal and Other Obstacles in Public Space CCTV Commercialisation

### Introduction

In today's challenging economic climate, UK Local Authorities & Councils are under increasing pressure to find innovative ways to generate revenue and sustain public services. One area garnering attention is the potential commercialisation of public space Closed-Circuit Television (CCTV) centres. These centres, originally established to enhance community safety and crime prevention, represent a significant investment in infrastructure and technology. Leveraging them for commercial purposes could provide much-needed financial relief and improved services for communities.

However, the path to commercialisation is not at all straightforward. Legal restrictions, particularly those imposed by the Local Government Act 2003 and the Localism Act 2011, present significant obstacles. These laws limit the ability of Local Authorities & Councils to engage in commercial trading beyond their statutory functions, creating a complex legal landscape that they must navigate carefully. Additionally, the shift towards commercial operations demands a set of business skills that may not be prevalent among existing CCTV management personnel.

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## About This Briefing Paper

This briefing paper, *Overcoming Legal and Other Obstacles in Public Space CCTV Commercialisation*, serves as a practical guide for CCTV User Group members within UK Local Authorities & Councils considering the commercialisation of their public CCTV operations. It provides:

- **Legal Context:** It explains the significant legislative constraints, particularly from the Local Government Act 2003 and Localism Act 2011, that limit commercial activity for public entities. The book briefly focuses on navigating these laws to ensure any commercial activity remains compliant.
- **Actionable Strategies:** It offers some actionable methods for monetising CCTV systems without breaching legal boundaries, covering potential revenue streams such as partnerships, cost-recovery services, sponsorships, and more.
- **Skill Development:** Recognising the unique skill set required for commercialisation, it details the additional competencies that CCTV service leaders may need, including business development and financial management, along with ways to bridge skill gaps through training and partnerships.
- **Case Studies:** Real-world examples from Local Authorities & Councils like Southampton and Nottingham provide context and illustrate how these methods have been applied practically.

## What This Briefing Paper Is Not

- **A Legal Document or Legal Advice:** It does not serve as a substitute for professional legal advice. While it details legal frameworks, readers are advised to consult legal experts for specific issues.
- **An All-Inclusive Guide for Every Local Authority or Council:** This book recognises that feasibility and applicability will vary among Local Authorities & Councils. It does not claim to be exhaustive for every context but provides a structured framework that Councils can adapt to their specific needs.

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- **A Financial Analysis:** This briefing paper does not provide a detailed financial model or cost-benefit analysis for each strategy. Instead, it focuses on the strategic and legal considerations needed to build such analyses locally.

This briefing document aims to equip local authority leaders with foundational knowledge and tools to explore and implement commercialisation initiatives in a legally sound and community-focused manner. Objectives of the Document

In an effort to keep this e-book uncomplicated and reader-friendly, we have provided only two subheadings per section, where this is appropriate.

Furthermore, this document aims to:

- **Highlight the Legal Challenges:** Examine the primary legal obstacles that can hinder the commercialisation of UK public space CCTV centres, with a focus on the limitations set by the Local Government Act 2003.
- **Explore Viable Solutions:** Present potential strategies and models that Local Authorities & Councils can adopt to commercialise their CCTV operations legally and ethically within existing legislative frameworks.
- **Address the Skills Gap:** Analyse the current skill sets of local government CCTV Service leaders and identify the competencies required for successful commercialisation. Offer suggestions on how to bridge any skills gap through training, recruitment, collaborations, or partnerships.
- **Provide Real-world Examples:** Include case studies of Local Authorities & Councils that have successfully commercialised their CCTV services, detailing the approaches taken and lessons learned.
- **Offer Practical Recommendations:** Deliver actionable insights and guidance for Local Authorities & Councils considering commercialisation, ensuring they remain

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compliant with legal obligations while enhancing service delivery and maintaining public trust.

By delving into these areas, this e-book seeks to equip local authority CCTV Centre leaders with an understanding of the challenges and opportunities associated with the commercialisation of public space CCTV centres. It aims to serve as a strategic guide, helping Councils make informed decisions that balance financial objectives with their commitment to public service and community wellbeing.

**The primary obstacle to the commercialisation of UK public space CCTV centres is the legal restrictions imposed by the Local Government Act 2003.**

## **Legal Restrictions Under the Local Government Act**

- **Limitations on Trading Activities:** The Local Government Act restricts Local Authorities & Councils from engaging in commercial trading beyond their statutory functions. This means they cannot freely set up separate commercial entities to operate services like CCTV centres for profit.
- **Need for Specific Powers:** Local Authorities & Councils require explicit legislative powers to trade commercially. Without such powers, any attempt to commercialise CCTV operations could be deemed ultra vires (beyond their legal powers).
- **Formation of Trading Companies:** While the Local Government Act 2003 allows some trading through council-owned companies, setting up and managing these entities can be complex and resource-intensive.

## **Impact on Local Authorities & Councils**

- **Financial Constraints:** The costs associated with establishing a trading entity, including legal fees, administrative costs, and ongoing compliance, can be prohibitive for many Councils .

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- Risk of Legal Challenges: Engaging in unauthorised commercial activities could expose Local Authorities & Councils to legal action, both from regulators and competitors in the private sector.
- Governance and Accountability: Operating a commercial entity requires different governance structures, which may conflict with the transparency and accountability standards expected of public bodies.