

## CABINET

16 July 2019

<b>Title:</b> Procurement of Parking Noticing and Cashless Parking Systems	
<b>Report of the Cabinet Member for Enforcement and Community Safety</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected: None</b>	<b>Key Decision:</b> No
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<b>Accountable Director:</b> Andy Opie – Operational Director.	
<b>Accountable Strategic Leadership Director:</b> Fiona Taylor, Director of Law and Governance.	
<b>Summary:</b> <p>Both cashless parking and the noticing systems are integral to support the Council to operate efficiently and meet its legal obligations under by Traffic Management Act (TMA) 2004.</p> <p>The Council's cashless parking contract with Cobalt (aka RingGo) has expired, although the service continues to be provided by Cobalt under a formal agreement on the same terms. As the Council's parking noticing system (Chipside) can also now be replaced without penalties being incurred under the contract, officers have been reviewing options for an alternative IT system(s) in view of the enhancements in technology since the existing arrangements were commissioned.</p> <p>Following the assessment of options, the intention is to use a single supplier for both cashless parking and a parking noticing system. The advantage of having a single supplier is that the two systems will be closely integrated, single supplier to manage and cost saving.</p>	
<b>Recommendation(s)</b> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"><li>(i) Agree the procurement of a cashless parking and a parking noticing system from a single supplier via the Traffic Management Technology 2 (RM1089) LOT 15 Crown Commercial Service G-Cloud framework, in accordance with the strategy set out in the report; and</li><li>(ii) Authorise the Operational Director of Enforcement and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, the Director of Law and Governance and the Chief Operating Officer, to approve the final procurement strategy, conduct the procurement and award and enter into the</li></ul>	

contract(s) and all other necessary or ancillary agreements with the successful bidder(s), in accordance with the strategy set out in the report.

### **Reason(s)**

To assist in achieving the aspirations outlined within the Council's Parking Strategy to provide a safer, fairer, consistent and a more transparent parking service and effective traffic and parking enforcement, as well as the Council's priority of a well-run organisation.

## **1. Introduction and Background**

- 1.1 The Council has a duty under the Traffic Management Act 2004 (TMA) to tackle congestion and disruption on the road network. The TMA gives Councils tools to manage parking policies and enforce some moving traffic offences.
- 1.2 The Council's parking services operate a noticing system (Chipside) to issue a PCN (Parking Charge Notice) to illegally parked cars within the Borough.
- 1.3 The Council's parking services operate cashless parking (RingGO) for Council owned public car parks, some on-street parking and visitor parking within Controlled Parking Zones (CPZ).
- 1.4 Technology has improved and there is an opportunity to drive down costs utilising new technologies used by suppliers.
- 1.5 A noticing system and a cashless parking system will assist the Council:
  - In fulfilling its duties under the Traffic Management Act (TMA)
  - In meeting its commitment to keeping the Borough moving and connected
  - In delivering an accessible, safe and sustainable transport network
  - In providing good and efficient customer service

## **2. Proposed Procurement Strategy**

### **2.1 Outline specification of the works, goods or services being procured**

- 2.1.1 The Council will run a mini competition and award a contract to a single supplier for a parking noticing system and cashless parking system. Procurement will be done via the Traffic Management Technology 2 (RM1089) LOT 15, G-Cloud framework.
- 2.1.2 Both cashless parking and a parking noticing system will be handling personal identifiable data. Suppliers will need to comply with the government's 'cloud principals' criteria, which sets out good practice to safeguard data held in cloud datacentres.
- 2.1.3 A data impact assessment will be carried out with the Council's Information Governance Manager to ensure that GDPR obligations are fully met.

## **2.2 Estimated Contract Value, including the value of any uplift or extension period**

2.2.1 The estimated value of each contract is based on previous contracts for the potential full five-year period.

- Parking noticing system estimated value £300,000
- Cashless parking estimated value £250,000
- Parking noticing system implementation, software and hardware costs estimated cost £50,000
- Cashless parking implementation estimated cost £8,000

2.2.2 The total funding requirement is therefore estimated at £608,000 over a 5 year period, not including any inflationary uplift.

2.2.3 It is anticipated that existing budgets will be sufficient to cover the ongoing annual costs of the proposed systems.

## **2.3 Duration of the contract, including any options for extension**

2.3.1 The duration of the contract will be for a period of three years, with an option to extend for a further two years at the discretion of the Council and subject to satisfactory performance.

2.3.2 The expectation is that a contract would commence from April 2020.

**2.4 Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 Yes.

## **2.5 Recommended procurement procedure and reasons for the recommendation**

2.5.1 Via Traffic Management Technology 2 (RM1089) LOT 15, G-Cloud framework.

## **2.6 The contract delivery methodology and documentation to be adopted**

2.6.1 Through the Framework terms and conditions as described above. The mini-competition and award will be based on a detailed specification/requirement provided by Parking Services.

## **2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract**

2.7.1 The expectation would be to;

- An improved noticing system to make efficiency saving in administration resources.
- A scanning solution to reduce manual scanning.

- A reduction in print and post costs by channel shifting to on-line appeals and notification using e-mails.
- A cost-efficient printing solution.
- Modern CEO handhelds to reduce device cost and device maintenance.
- The current cashless parking system has limitations in that the supplier is slow to make required changes dictated by parking strategy changes.
- Have a modern system that can meeting the Council's parking strategy.
- By having a single supplier there will be opportunities to have closer integration between the noticing and cashless systems, single supplier to manage hence leading to cost savings.
- These improvements will enable efficiencies in the productivity of the existing workforce and will ensure that the growth in demand arising from the CPZ project can be absorbed without the need to increase staffing.

## **2.8 Criteria against which the tenderers are to be selected and contract is to be awarded**

2.8.1 Tenders will be evaluated based on the tenderers' price and ability to deliver the contract as set out in the requirements and evaluation criteria in order to determine the most economically advantageous offer. The evaluation criteria for this Procurement will be based on;

Price – 60%, Quality – 40% for Cashless parking and noticing systems.

## **2.9 How the procurement will address and implement the Council's Social Value policies**

2.9.1 To continue to meet the Council's commitment to keeping the borough moving and connected and to;

- Helping traffic to flow more freely.
- Helping buses keep to their timetable.
- Assisting delivery vehicles.
- Allowing pedestrians to feel safer crossing the road without illegally parked cars causing obstruction.
- Keeping parking places reserved for Blue Badge holders for those who need to use them.

## **2.10 Contract Management methodology to be adopted**

2.10.1 Through the Framework terms and conditions.

## **3. Options Appraisal**

3.1 The following alternative options were considered:

### **3.1.1 Do Nothing**

- Rejected - the cashless parking contract has expired, and a contract is required to align to Council contract rules. The Parking Service would also wish to re-tender the noticing system to maximise value for money that re-tendering is expected to offer.

### 3.1.2 **Stay with the current suppliers.**

- Rejected, as above.

## **4. Waiver**

4.1 Not applicable for this procurement.

## **5. Consultation**

5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 17<sup>th</sup> June 2019.

## **6. Corporate Procurement**

Implications completed by: Francis Parker – Senior Procurement Manager

6.1 Procurement supports the strategy within this report.

6.2 The evaluation criteria is suitable for these goods and services.

6.3 The proposed route to market is suitable and compliant with the Councils contract rules and PCR2015.

## **7. Financial Implications**

Implications completed by: Sandra Pillinger Group Accountant

7.1 The estimated annual value of both systems is £110k pa. In Year 1 there will also be implementation costs of £58k. These costs will be financed from the existing revenue budgets for RingGo and Chipside.

7.2 It is anticipated that existing budgets will be sufficient to cover the ongoing annual costs of the proposed systems.

## **8. Legal Implications**

Implications completed by: Kayleigh Eaton, Senior Contracts and Procurement Solicitor

8.1 This report is seeking approval to award a contract for a new parking noticing and cashless parking system through CCS framework RM1089. This report is also seeking approval to delegate authority to the Operational Director of Enforcement and Community Safety to approve the final procurement strategy, conduct the procurement and award the contract to the successful bidder in accordance with the strategy set out in this report.

8.2 The estimated value of the contract is £608,000 over 5 years which is in excess of the EU threshold for supplies and service contracts meaning that there is a legal requirement to competitively tender the contract. The Public Contracts Regulations 2015 (the Regulations) permit contracting authorities to call off valid frameworks in order to procure goods, services, works, as required. In compliance with the principles

of the Regulations the call-off process must be transparent, non-discriminatory and fair.

- 8.3 The requirements for competitive tendering, as contained within the Council's Contracts Rules, are met as Rule 5.1 (a) advises that it is not necessary for officers to embark upon a separate procurement exercise when using a Framework Agreement providing the Framework being used has been properly procured in accordance with the law and the call-off is made in line with the Framework terms and conditions.
- 8.4 The use of the CCS Framework will satisfy the above requirements as the Council is permitted to call off from the framework, which has been set up following a compliant OJEU process for all local authorities in the country and commenced on 31 October 2016 for a period of 4 years.
- 8.5 In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contracts following the procurement process.
- 8.6 As the value of the Contract exceeds £100,000, in line with rule 52.2 of the Contract Rules, the Contract will require sealing. Legal Services will be on hand to assist in any queries which may arise and also assist in the sealing of the Contract documents.

**Public Background Papers Used in the Preparation of the Report:**

None.

**List of appendices:**

None.