

## CABINET

18 June 2024

<b>Title:</b> Procurement of Parking and Traffic Enforcement Camera Services	
<b>Report of the Cabinet Member for Enforcement and Community Safety</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> No
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<b>Accountable Director:</b> Rebecca Johnson, Director of Public Realm	
<b>Accountable Executive Team Director:</b> Leona Menville, Strategic Director, My Place	
<b>Summary:</b>  LBBD has a need for an Unattended CCTV Parking, Bus Lane, and Moving Traffic Enforcement Solution. This solution is currently being provided by Videalert.  LBBD requires a modern digital CCTV system that can cover all its present and future needs, such that the system is fully future proofed. In addition, LBBD does not want to be locked into any proprietary equipment and therefore is fully committed to acquiring systems which use open standards and equipment, to allow LBBD to seamlessly upgrade to new cameras as they become available in the marketplace. LBBD seeks to enhance the current digital enforcement solutions including attended CCTV Capture, unattended Bus Lane, Parking, and moving Traffic enforcement interface with a mobile enforcement vehicle, Evidence review suite including hosted server, interface to all major notice processing systems and online video viewing platform and maintenance of equipment. This should also include the integration of the permit systems to the cameras to allow the automation of exemptions.  The solution provider will be responsible for setting up the required link with any current or new Notice Processing System to enable PCNs to be created and to provide the facility for the exemption of permitted vehicles.  As the current contract for purchasing camera at the contracted price is now exhausted, we are required in the interest of best value to re-tender.  Parking services has carried out a PIN (prior information notice) and have received interest from four service providers.  The existing contract is set to expire in May 2025 and therefore the successful contractor will take upon those services.	
<b>Recommendation(s)</b>	
The Cabinet is recommended to:	

- (i) Agree that the Council proceeds with the procurement of a maximum five-year contract for a traffic enforcement camera system, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, My Place, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to approve the final procurement strategy, conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder(s) to fully effect the proposals.

**Reason(s)**

To assist the Council to achieve its priorities in relation to creating a safer Borough and to comply with the Council's Contract Rules and Public Contracts Regulations 2015

**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 CCTV Suite of fixed automatic number plate Recognition (ANPR) cameras (Videalert) over 74 sites, that record vehicles committing moving traffic contraventions. Videalert is currently the sole supplier providing CCTV managed solutions to parking services.
- 1.3 Traffic enforcement cameras are crucial to keep the Council's highways moving. Significant number of contraventions are committed resulting in many PCNs (Penalty Charge Notices) being issued.
- 1.4 Income from PCNs issued will offset the cost of the camera maintenance, managing the moving traffic enforcement and cost of new cameras. Any surplus will be reinvested to keep the Councils highways moving.
- 1.5 There is currently no existing contract to purchase new cameras, although a maintenance budget is in place to maintain the existing cameras until May 2025 with the incumbent. Since cameras were first procured, technology has improved and there is an opportunity to drive down costs through a competitive open procedure.
- 1.6 The current cameras have been purchased outright by the Council. Older cameras are 5-year-old and are coming to end of life.
- 1.7 With technology improvements, suppliers are now offering attractive prices to replace the current cameras with new cameras within the maintenance budget over a 5-year period.

## **2. Proposed Procurement Strategy**

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

- 2.1.1 New traffic enforcement cameras and maintenance will be purchased to replace the current estate after the contract expires.
- 2.1.2 The cameras used for enforcement are specialist cameras, supplied by Videalert, and cannot be reutilised without significant modification and cost, making it not a value for money to reutilise.
- 2.1.3 The strategy would be to replace the current cameras at the end of the contract with successful service provider but staying with the current maintenance paid to incumbent until the end of the contract and capital funding may be required.
- 2.1.4 Going forward new demands for traffic enforcement cameras would be fulfilled by the new supplier.

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

- 2.2.1 The estimated value of the contract is based on the current contract; the estimates below are for a 5-year period.

Automatic camera enforcement has an estimated for:

- Unit price per camera = £18,672.50 \* 200 Cameras = £3,734,500.00
- Unit maintenance per camera = £6,120.00 \* 200 Cameras = £1,224,000.00
- Unit maintenance per cameras over 5 years = £6,120,000.00
- Moving enforcement vehicle and maintenance = £100,000. This is an estimate.
- This excludes any annual inflationary cost increases.
- The cost excludes any inflationary uplift.
- There will also be implementation and project costs for the supplier and LBBD IT, estimated implementations costs are £20,000.
- The cost for Attended solution to be confirmed.

### **2.3 Funding**

- 2.3.1 The total value of the contract for a 5-year period including a one-off implementation fee of £20,000 is £9,974,500.
- 2.3.2 Cameras tend to be self-funded but there is funding available for the contract from PCN income, maintenance budgets for cashless parking and parking noticing system and surplus from various initiatives that have been implemented within parking.
- 2.3.3 The cameras will be called as off when required by the stakeholders. Hence the spend for each year will vary.
- 2.3.4 BE-First will Purchase a number of cameras from successful suppliers. TFL will grant funds for these cameras. It also depends on the number of schemes and /or Grant Funds TFL Offers and the funds that BE-First secures during the life of the contract.

## 2.4 Duration of the contract, including any options for extension

2.4.1 The duration of the contract will be for a period of 5 years with an option to extend for a further 2 years.

## 2.5 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?

2.5.1 The contract is subject to Public Contract Regulations 2015 but is not subject to the Light Touch Regime.

## 2.6 Recommended procurement procedure and reasons for the recommendation

2.6.1 A full open tender will be carried out and advertised on Find a Tender, Jaggaer/Bravo (e-tendering), Contracts Finder and the Council's website. The tender will be published via the Jaggaer/Bravo Solution procurement portal.

2.6.2 The procurement is required to be let under an open procedure. The open procedure will allow for the maximum number of suppliers to respond, which will encourage SMEs and will likely produce the best value for money for the Council.

2.6.3 Suppliers will be required to have sufficient accreditation relevant to the services and have sufficient financial standing.

### Indicative Procurement Timetable

Stage	Estimated Date
Publish tender opportunity in Find a Tender, Jaggaer /Bravo, Contracts Finder and LBBB website	June 2024
Tenders returned	July 2024
Tender Evaluation completed by	July 2024
Award Report approved	August 2024
Standstill period	September 2024
Award of Contract	September 2024
Implementation	October 2024
Contract Commencement	October 2024

## 2.7 The contract delivery methodology and documentation to be adopted.

2.7.1 The Contract will be let using the Council's standard Terms and Conditions for Services.

## 2.8 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

2.8.1 Currently there is no contract in place to supply and fit automatic parking enforcement cameras. Parking is no longer able to purchase any Cameras from

Videalert on an ad-hoc basis because the agreed number of cameras that can be purchased under the contract has been exhausted.

2.8.2 Following soft market testing, the successful suppliers may be required to replace all the current cameras and link to the Councils noticing system, keeping within the current maintenance paid annually.

2.8.3 The Council will get new cameras with the latest technology with possible capital expenditure.

2.8.4 The contract will be awarded to the most economic advantageous tenderer in line with the criteria below.

**2.9 Criteria against which the tenderers are to be selected and contract is to be awarded.**

2.9.1 Suppliers 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 – 70%; Quality – 20%; Social Value – 10%**

**2.10 How the procurement will address and implement the Council's Social Value policies.**

2.10.1 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.

2.10.2 The Social Value toolkit will be published as part of the tender documentation pack. A delivery plan (what) and method statement (how) question relating to social value will hold 10% of the overall evaluation. The social value coordinator will be invited to sit on the evaluation panel to grade this delivery plan and method statement alone, while the main evaluation panel members will be asked to evaluate the whole tender response.

**2.11 Contract Management methodology to be adopted.**

2.11.1 This contract will be managed by the Parking & CCTV Team. The My Place Contracts and Procurement Team will chair quarterly contract review meetings with the supplier and will be the point of escalation for any supplier or performance related issues. The Strategic Director of My Place will have overall accountability for the running of the contract.

### 3. Options Appraisal

- 3.1 **Option One – Open procurement procedure for a 5-year contract with the option to extend for two 12-month intervals.** This is the most favourable option as it allows the council to dictate the service requirements without any scope limitations to social value, it ensures that local organisations have a better chance to secure contracts with the councils due to the award criteria being heavily weighted on the pricing.
- 3.2 **Option Two – Mini competition Framework** – This option would be the quickest route to market but was rejected due to the limited number of suppliers on the framework and incumbent provider not on any framework. There would be a struggle to demonstrate value for money especially since there would be cost avoidance of the frameworks management fee if we were to go with option one.
- 3.3 **Option Three – Direct Award** – This option has been rejected as it does not demonstrate value for money and will impact on the Council's ability to request Social Value commitments.
- 3.4 **Option Four- Remain with the current provider (do nothing)** – This is no longer an option as we have been renewing the current contract already and it would not be best practice to continue without tendering the contract out.

### 4. Waiver

- 4.1 Not applicable.

### 5. Consultation

- 5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 18 March 2024.

### 6. Corporate Procurement

Implications completed by: Richard Barrett Category Manager

- 6.1 The report seeks to approach the market via open tender with weightings identified as Price 70%, Quality 20% and Social Value 10%
- 6.2 The report indicates that market engagement has been conducted via the issue of a Prior Information Notice. The number of responses received indicate market competition is present but not at a level that is likely to lead to resource implications due to excessive numbers of responses.
- 6.3 The proposed procurement route and weightings seem suitable for the activity. The 70% weightings on price, will drive a focus and competition to a greater extent on the cost element.

## **7. Financial Implications**

Implications completed by: Kenny Leshi, Finance Business Partner

- 7.1 This report seeks approval for the procurement and award of a traffic enforcement camera system for unattended CCTV Parking, Bus Lane, and Moving Traffic Enforcement Solution.
- 7.2 The duration of the contract will be for a period of 5 years with an option to extend it for a further 2 years.
- 7.3 The value of the contract for a 5-year period including a one-off implementation fee of £20,000 is £9,974,500.
- 7.4 Cameras tend to be self-funded but there is funding available for the contract from PCN income, maintenance budgets for cashless parking and parking noticing system and surplus from various initiatives that have been implemented within parking.
- 7.5 The expenditure will be monitored as part of the monthly budget monitoring process for the service area.

## **8. Legal**

Implications completed by: Yinka Akinyemi, Contracts and Procurement Solicitor, Law & Governance

- 8.1 This report is seeking approval for Parking Services to proceed with the procurement of a traffic enforcement camera system on a maximum five-year term in accordance with the strategy set out in the report.
- 8.2 It is anticipated that the estimated value of the contract is in excess of the threshold for goods and services under the Public Contracts Regulations 2015 (the Regulations) and therefore a competitive tendering process will be required, which will be subject to the full application of the Regulations.
- 8.3 Clause 2.5 of this report states that an Open tender exercise will be carried out in compliance with the Regulations. This will therefore be following a compliant tender process as required by law and also the Council's Contract Rules.
- 8.4 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 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 with the approval of Corporate Finance.

## **9. Other Implications**

- 9.1 **Risk Management** - There will be a risk during replacement of the Videalert cameras as any significant delay will lead to a reduction in compliancy and PCNs

issued. This risk can be mitigated by strict SLA with the alternative supplier for the replacement of cameras.

Videalert cameras will not be switched off immediately but in a phased way to keep traffic compliancy until all cameras have been replaced.

Traffic camera enforcement will be handling personal identifiable data. Suppliers will need to comply with the governments 'cloud principals' criteria', which sets out good practice to safeguard data held in cloud datacentres.

A data impact assessment will be carried out with the Council's Information Governance Manager to ensure that GDPR obligations are fully met.

- 9.2 **Safeguarding Adults and Children** – Some cameras will be located near schools to ensure vehicles conform to legal traffic rules to ensure the safety of children.

**Public Background Papers Used in the Preparation of the Report:** None

**List of appendices:** None