

# LONDON BOROUGH OF BRENT

Executive - 12 April 2005

## Report from the Director of Environment

FOR ACTION

Wards affected:  
ALL

**Above** ✓ **Below**  
Confidential Line  
with the exception of  
Appendices 3-9 only

Report Title: **Award of Two Parking Contracts**

Forward Plan Ref: ES-04/05-297

### 1.0 Summary

- 1.1 This report requests authority to award the contract for Parking Enforcement and the contract for Notice Processing and I.T. System Support Services as required by Contract Standing Order No 89. This report summarises the process undertaken in tendering both contracts and, following the completion of the evaluation of the tenders, recommends to which contractor the contract should be awarded.
- 1.2 The services are currently provided under contract with Vinci Park Services UK Ltd (Parking Enforcement), and Vertex Data Services Ltd (Notice Processing and I.T. System Support). Both contracts expire on 3rd July, 2005.

### 2.0 Recommendations

- 2.1 That the Executive award the Contract for Parking Enforcement to Central Parking Services (CPS).  
That the Executive award the Contract for Notice Processing and I.T. System Support to Central Parking Services (CPS).

### **3.0 Detail**

- 3.1 The 12th July 2004 Executive granted the Head of StreetCare the authority to invite tenders for a five (5) year contract, renewable for up to a further two (2) years, for Parking Enforcement and for Notice Processing and I.T. System Support Services. Given the scope of these contracts, the Authority recognised that there may be single contractors bidding for both contracts.
- 3.2 In early September 2004 advertisements were placed in the Official Journal of the European Community, the local press, and a monthly parking enforcement magazine inviting expressions of interest. The advertisements stated that the procurement processes for both contracts would be run in parallel and that the Council may consider awarding both contracts to the same contractor should it prove beneficial to do so. In response to these adverts a total of 39 tenderers 'expressed interest' and were all sent pre-qualification questionnaires for both contracts, including a draft 'specification of requirements', to complete and return by 20th October 2004.
- 3.3 A total of 10 completed pre-qualification questionnaires were received for the Enforcement Contract and 13 for the Notice Processing and I.T. System Support Contract. Pre-qualification shortlisting was carried out by a panel of appropriately qualified and experienced individuals who assessed the contractors' financial viability, technical ability and a number of other matters including health & safety, service and quality assurance. This exercise resulted in 4 tenderers being shortlisted and invited to formally submit tenders for the Parking Enforcement contract and 6 contractors being shortlisted and invited to formally submit tenders for the Notice Processing and I.T. System Support contract.
- 3.4 The shortlisted tenderers were sent tender packs including a comprehensive Service Specification, Pricing Schedules, Conditions of Contract, Instructions to Tenderers and evaluation criteria.
- 3.5 All tenders had to be submitted to the Council no later than noon on 2nd February 2005. The deadline was extended to 9th February for Notice Processing and IT tenders and to 14 February for Parking Enforcement tenders. All tenders were opened by Democratic Services at the Town Hall. Four (4) valid tender submissions were received for the Parking Enforcement contract and four (4) tender submissions were received for the Notice Processing and I.T. System Support contract. Two tenderers tendered for both contracts.

#### Evaluation Process

Evaluation was carried out by a specially appointed panel consisting of two officers from Parking/StreetCare, and an officer from Information and Performance with advice from Financial Services and Legal Department. The project was managed by HR assisted partly by Procurement Services.

## Quality/Technical Evaluation

3.6 The Instructions to Tenderers stated that the contract would be awarded on the basis of the most economically advantageous tender, and listed the following criteria (approved by the Executive) upon which the tenders would be evaluated:

- experience in the services tendered
- the appropriateness and effectiveness of the Tenderer's proposed systems and working methods as set out in its method statements and tender submission generally
- ability to achieve continuous improvement
- quality of service proposals
- price

The criteria were further broken down and weighted for each of the contracts as detailed in the evaluation matrices in appendices 1 and 2 of this report.

Submissions were given to each member of the evaluation panel who read them individually and used evaluation sheets to score and note down their comments on how well each of the award criteria was addressed.

3.7 The panel met on 16th February 2005 and each submission for the Notice Processing and I.T. System Support contract was marked by the whole panel against the "Quality/Technical" award criteria. On the 22nd February 2005 the 4 tenderers attended interviews with the panel where questions relating to their tender submissions were put to them.

3.8 The panel met again on 17th February 2005 and each submission for the Parking Enforcement contract was marked by the whole panel against the "Quality/Technical" award criteria. On the 23rd February 2005 the 4 tenderers attended interviews with the panel where questions relating to their tender submissions were put to them.

3.9 Site visits for both contracts were undertaken by officers on the panel during February 2005.

3.10 After the meetings with the tenderers and the site visits further clarification of tenders was sought from all tenderers in respect of varying aspects of their tenders. The panel came together again on 14th February, 3rd March 2005 and 9 March 2005 to finalise their scores for the "Quality/Technical" submissions following the interviews, site visits and receipt of clarification. The final scores are detailed in appendices 1 and 2 of this report. The panel also considered the pricing and financial evaluation alongside the quality/technical scores and came to a decision regarding the recommendation for award of the contracts. Further detail of the evaluation and recommendation is set out in Appendix 3 of this report

- 3.11 The bids were from experienced tenderers and of good quality. All Parking Enforcement tenders scored above the acceptable threshold in evaluation. However, while level on experience with the others, CPS came out best in quality in the other areas and overall. Similarly, in the evaluation of Notice Processing and IT tenders all evaluation scores were above the set acceptable threshold but CPS scored the highest points and showed to be the best value technically and in quality of service.

### **Financial Evaluation**

#### **IT & Notice Processing Contract**

- 3.12 Each tenderer was asked to complete a pro-forma pricing schedule giving an itemised breakdown of the tendered price. An element of the tendered price is to be based on a charge per PCN (penalty charge notice) paid. While contractors were given freedom to decide on the level of charge they were told that the evaluation would be on 70,000 paid PCN's based on current recovery rate.
- 3.13 Tenderers were also asked to provide details of any additional first year costs, charges for additional items and any reduction for years six and seven should the contract be extended beyond the initial five years.

#### **Enforcement Contract**

- 3.14 Again each tenderer was asked to complete a pro-forma pricing schedule giving an itemised breakdown of the tendered price. The enforcement contract consists of three elements, enforcement, removals and the provision of three parking shops. Within the enforcement element tenderers were asked to tender unit rates for the following:
- Parking Attendants – per net deployed on-street hour  
CCTV enforcement staff – per enforcement hour  
Supervisors – per duty hour  
Permits - per permit issued  
Suspension/Dispensations - per dispensation issued
- 3.15 The Council also informed the tenderers that they would pay marginal cost of 30 pence for each PCN issued and that for the evaluation this would be based on 160,000 PCN's projected per year. However, the payment would be on the number actually issued.
- 3.16 Prior to tenders being submitted tenderers expressed a desire to have two rates for each of the staffing elements i.e. Monday to Saturday and Sundays and Bank Holidays to reflect the additional pay rates for the later. This request was accepted and included in the pricing schedule.
- 3.17 In the pricing schedule these variable elements are deducted from the total costs for the enforcement element to arrive at a fixed costs

element which will be paid in twelve equal instalments. The variable elements will also be paid monthly based on the units achieved.

- 3.18 For the removals element, contractors were asked to tender unit rates for the following:

Onboard Parking Attendants – per net deployed on-street hour  
Supervisors – per duty hour

- 3.19 Again following requests from the tenderers the pricing schedule provided for different rates for Monday to Saturday and Sundays and Bank Holidays.
- 3.20 The Council also informed the tenderers that they would be based on current experience pay estimated cost £50 per successful removal to the pound and that for the evaluation this would be on 4,700, based on figures of successful removals per year in the past. However, payments would be based on the actual number of removals.
- 3.21 In the pricing schedule these variable elements are deducted from the total costs for the removals element to arrive at a fixed costs element which will be paid in twelve equal instalments. The variable elements will also be paid monthly based on the units achieved.
- 3.22 For the final element tenderers were asked to provide a fixed annual price for the provision of three parking shops. This price was to include the refurbishment of the existing parking shop at Pyramid House and the provision of two further parking shops in the north and south of the borough capable of being used as a base for the deployment of parking attendants.
- 3.23 Finally because the capital costs of the contract are to be funded over the initial five years of the contract the tenderers were asked to quote a discount for years 6 and 7 should the contract be extended.
- 3.24 Officers have undertaken an evaluation of the prices received for both contracts. Details of the pricing evaluation and officer's recommendations for the award of the contracts are set out in Appendix 3 of the report.

#### **4.0 Financial Implications**

- 4.1 The recommended award to CPS can be contained within the Parking Enforcement and Notice Processing budgets for 2005/06.
- 4.2 The Council's Contract Standing Orders state that contracts for services exceeding £500k shall be referred to the Executive for approval of the award of the contracts.
- 4.3 The contracts for Parking Enforcement and for Notice Processing and I.T. System Support Services will be let for an initial period of five (5) years, renewable for up to a further two (2) years.

4.4 The discount value of the 7 year contracts from July 2005, if the contracts are awarded as recommended in this report, is estimated to be £350K for the Parking Enforcement , Notice Processing and IT System Support. The breakdown of these figures is contained in Appendix 8.

## **5.0 Legal Implications**

5.1 These contracts are High Value services contract (over £500,000 over the life of the contract) as such, in accordance with the Council's Contract Standing Order 90, Executive approval is required for the award of the Contracts.

5.2 The services to be provided under these contracts are both Part A and Part B services under the EU Procurement Regulations. Part A services are subject to the full application of the EC Public Procurement Regulations whereas Part B services are subject to only partial application of the Regulations namely non discrimination in the technical specification and publication of an award notice. However, as officers recommended that tenderers be able to tender for one or both contracts, both contracts have followed the same procurement route. Accordingly, both contracts have been tendered in accordance with the requirements for Part A services.

## **6.0 Diversity Implications**

6.1 The proposals in this report have been subject to screening by officers.

6.2 Tenderers have been required to satisfy the Council regarding arrangements for responding promptly to motorists' concerns in certain circumstances, such as the removal of a vehicle belonging to a person with a disability, where it will be important to take account of individual circumstances. The Council has, in its tender documentation, informed tenderers of situations where the Council may require a more considered response than 'the norm'.

## **7.0 Staffing/Accommodation Implications**

7.1 External contractors currently provide these services, and it is not proposed to bring any of these services 'in-house'. In this event, there are no implications for Council staff arising from the award of the contracts.

7.2 The handling of appeals and representations is carried out by the in-house Parking Control Team, which also manages the contracted services as client.

7.3 Change in the level of enforcement activity and the additional area of enforcement with the development of Wembley Stadium will impact on the in-house staffing level. It is envisaged that an additional monitoring officer and at least one appeals officer will be needed to deal with the

extra work, subject to approval during the 2006/7 budget process. It should be possible to fund these additional staffing costs from the additional income that will be generated from Wembley events.

## **8.0 Environmental Implications**

- 8.1 The award of these Contracts will put in place an effective and robust regime for the enforcement of the Borough's parking regulations, including the provision of parking shops.
- 8.2 Parking Shops provide a range of services to customers, such as sales of household permits, visitor permits, and short-term parking "scratchcards". They also provide general advice and take payments for penalty charge notices.
- 8.3 An effective parking enforcement service will help achieve free traffic flow around the Borough and contribute to air quality issues, as standing vehicles emit more fumes. An effective service will also avoid problems of traffic congestion caused by illegally parked vehicles. Effective enforcement of bus lanes will improve bus service and encourage more people to use the service effectively reducing use of the car particularly at peak times.
- 8.4 The new contract specification refers to the development of the new Wembley Stadium and the need for extra resource when the Stadium comes into operation in January 2006. The contractor will be expected to have the ability to adjust resources in time to enforce during event days. Restrictions on event days will start from 0800 hours to 2400 in the Stadium radius area. The tender takes account of resources that will be needed to enforce the restrictions. It is difficult to forecast at this stage the precise level of resources that would be required. However, tenderers have estimated the number of Parking Attendants that would be required to provide the minimum frequency of visits that the specification requires. The specification also requires two additional removal trucks to be provided until midnight. After that the contractor will be required to keep the car pound open for another two hours to allow customers to reclaim vehicles removed.

## **9.0 Background Papers**

- 9.1 Details of Documents
- (i) Report to the Executive 18th November, 2002 titled 'Parking Contract – On Street Enforcement'.
  - (ii) Report to the Executive 18th November, 2002 titled 'Parking Contract – Notice Processing and I.T. Support'
  - (iii) Report to the Executive 12th July 2004 titled "Retendering of the Parking Contracts".
  - (iv) Procurement Files for the 2004/5 Parking Contracts Tendering Process

9.2 Any person wishing to inspect the above papers should contact Subhash Radia, StreetCare, Brent House, 347-359 High Road, Wembley, Middlesex, HA9 6BZ. Telephone: 020 8937 5098.

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