



Cabinet
11 December 2017

**Report from the Strategic Director
of Regeneration & Environment**

Parking Services Contract

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	1
Background Papers:	Parking service annual report
Contact Officer:	Gavin F Moore Head of Parking and Lighting Tel: 020 8937 2979 gavin.f.moore@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report sets out options and identifies a preferred option for the future procurement of the Council's Parking Services Contract. Parking is a high profile service with key objectives to ensure adequate parking spaces on-street for residents, businesses and visitors, to reduce congestion and improve road safety, and support sustainable environmental objectives.
- 1.2 Three procurement options have been considered for this contract, whose first five year term expires in July 2018: re-tendering the contract; establishing a new in-house team; or extending the Serco contract by up to five years. The report sets out why the latter option is recommended: to facilitate service improvements, efficiencies and savings; and minimise service and financial risks. The extension period will also provide an opportunity to test new approaches to enforcement and ways of working; and provide space to develop a preferred strategic option for the council in respect of the future delivery of parking and other environmental services.

2.0 Recommendation

- 2.1 That Cabinet agrees to exercise the option to extend the Parking Services Contract by four years and nine months to 31 March 2023, for the reasons set out in Section 5 of this report.

3.0 The Current Parking Contract

3.1 The parking contract with Serco was let in 2013 for a term of five years (to July 2018), with an option for the council to extend the contract by up to 5 years. The contract covers the full range of activities undertaken to provide parking services, including civil enforcement of parking and moving traffic restrictions as set out in the Road Traffic Regulation and Traffic Management Acts. Key functions are:

- Parking enforcement, mainly through deployment of Civil Enforcement Officers
- CCTV enforcement of moving traffic and bus lanes
- Responding to informal PCN representations
- Management, Operation & Maintenance of Pay & Display bays on-street
- Management and maintenance of Controlled Parking Zones
- Management of off-street parking in council car parks
- Vehicle removal operations & car pound
- Managing specialist provision of cashless parking & electronic payments
- Back office business processing services, including the provision of parking control software, scanning, indexing, and permit administration

Brent retain a client function with responsibility for:

:

- Parking policy and overall management
- Establishing priorities
- Prioritisation and management of service changes
- Management of the Serco parking contract
- Management of the civil enforcement agent (bailiff) contracts
- Hearing formal PCN appeals, tribunal referrals and debt recovery processes
- Parking related enquiries, complaints and Freedom of Information requests

Serco's performance to date is examined in detail in Section 4 below. Annual contract expenditure in 2017/18 is expected to be over £4.5m p.a. The Parking Account was in surplus in 2016/17 (see table in paragraph 4.6 below); taking account of legal requirements the surplus has been applied to meet 72% of the cost of funding concessionary fares (the Freedom Pass), in accordance with Council policy and corporate budget planning.

3.2 The contract was originally procured as a West London Alliance initiative alongside the London Boroughs of Ealing and Hounslow. At present Brent and Hounslow are both utilising the full services provided by Serco, including the provision of parking and traffic enforcement services. However, apart from some back office provision, LB Ealing currently use NSL to provide most parking services, in particular enforcement. An Inter-Authority Agreement has been in place to govern the operation of the joint contract. The boroughs have jointly agreed not to extend the Inter-Authority Agreement beyond the initial five year term. Any extension agreed by LB Brent from July 2018 would therefore be on a single borough basis.

3.3 Officers have been advised that LB Hounslow has entered discussions with Serco to discuss an extension to their contract beyond July 2018. Cabinet will be advised verbally should there be further developments.

3.4 LB Ealing uses NSL for most enforcement and parking service activity. Serco provide some back-office parking functions. Ealing have decided that continued division of the parking service is not desirable. The borough is therefore consolidating its contracts with NSL and Serco into a single unified parking contract due to commence in April 2019. Contract extensions with both companies are in place to March 2019. Ealing have expressed an interest in continuing to work with Brent in collaboration to achieve efficiencies and deliver savings. Ealing have also approached other nearby authorities, including LB Barnet. This could provide an opportunity to achieve enhanced economies of scale from April 2019, particularly if LB Hounslow decide to extend their contract with Serco.

4.0 Performance of the Serco Contract

4.1 Following the mobilisation period in 2013/14, contract performance by Serco has been of a high standard. Local Partnerships (the joint consultancy arm of the Local Government Association and the Treasury) were engaged in 2017 to determine the range of options available to the council from an objective, independent perspective. Local Partnerships concluded: *“The service quality of the current arrangement is generally well regarded and Brent, with Serco, have been recognised nationally for their good practice, winning ‘Team of the Year’ at the British Parking Awards.”* Local Partnerships also concluded that *“...the evidence was clear that the current service is performing well. Brent has built a good relationship with Serco and Serco has performed.”*

4.2 Performance data over the term of the contract is summarised in the [Parking service annual report](#) , which was endorsed by Highways Committee in July 2018. The service has performed well ahead of expectation over recent years, even after taking account of the loss of most parking CCTV enforcement powers in April 2015 as a result of restrictions imposed on all local authorities by the 2015 Deregulation Act.

- The Act’s key impact was to greatly reduce the council’s power to enforce parking through the use of CCTV. The loss of power was imposed on the council with only one week’s notice, immediately prior to the 2015 General Election. Serco addressed the changes required by the comprehensively in Brent, switching staff resources overnight from CCTV to on-street CEO enforcement. In comparison with other local authorities, Brent and Serco were able to sustain effective parking enforcement from the first day of the Act coming into effect. Subsequently improvements in CEO productivity have led to further growth in enforcement coverage. The planned introduction of the London Living Wage in July 2018 will further expand capacity for effective CEO enforcement borough-wide.
- In respect of moving traffic enforcement, in 2015/16 Serco and Brent achieved the highest growth in operations of the 33 enforcement authorities in Greater London. As a result non-compliance by motorists at key locations has been reduced by up to 80%, with a significant impact on reducing traffic congestion and improving road safety. Serco has the capacity to introduce additional moving traffic enforcement at key locations identified by Brent, utilising automated Lanewatch cameras

- Complaints about the service have dropped by 56% - 146 complaints were received in 2016/17, compared to 337 received in the contract mobilisation year 2013/14.
- All budget planning expectations have been met or exceeded, providing additional contributions to the corporate cost of concessionary fares in each year from 2014/15.

4.3 The first year of the contract, 2013/14, was focused on achieving a smooth transfer of operational responsibility from the former contractor and mobilising Serco's enforcement operations. Two key changes were also implemented in the first 18 months of the contract:

- Automatic Number Plate Recognition was introduced, linked to Brent's CPZs, supplemented by data tables, analytics and operational models. Mobile ANPR operations have built a 'heat map' of locations across Brent where compliance is low historically so that day to day planned compliance activity can be focussed on those areas where most offences occur. The system is linked to mobile CEOs who can respond quickly to enforce parking contraventions.
- Delivery of the major project to replace the former parking shops, and the visitor scratch card system, with accessible on-line services for permit issuance and PCN administration.

4.4 During contract years 2014/15 and 2015/16, Serco were directed by Brent to devote their change management resources to focus on delivery of a substantial programme of improvements to the service, with £3.2m of budget planning implications. The key components of the programme successfully delivered in partnership with the client team are set out below.

Project	Notes
Additional CEO Deployment replacing CCTV	See 4.2 above; facilitating substantial increase in enforcement
Introduction of moving traffic enforcement CCTV	See 4.2 above; issuance of PCNs for moving traffic offences trebled
Introduction of new car park Season Ticket options	
Introduction of Event Day Parking in Car Parks	Moving parked cars off-street
Enforcement of Northwick Park car park	
Introduction of Lower Place Business CPZ and enforcement of Disraeli Road car park	Innovative and popular business parking scheme supporting the Lower Place industrial estate
Reform Visitor Parking Charges to the new £1.50/£3/£4.50 pattern	High impact on parking supply, with an estimated 700 places freed up each day

Project	Notes
Introduction of Voice Recognition telephone technology	See 4.5 below
Online PCN Case Management	
Transfer of RingGo cashless parking	See 4.5 below
Removal of surplus P&D Machines	

4.5 A range of other service improvements and innovations have been introduced by Serco in partnership with Brent during the course of the contract:

- Voice Recognition technology has been introduced to the Serco Parking call centre, to improve the handling of enquiries and visitor parking bookings. Call response times have improved along with customer satisfaction. More reliable call handling has now reduced by 50% the total number of calls received; a reduction of 60,000 calls p.a., providing a cost saving to the council of £120k p.a. In addition, the proportion of calls abandoned has reduced by more than 60%.
- From January 2017, virtual parking permits have replaced paper permits for residents and businesses
- Body Worn Video has been introduced to improve staff safety on-street, and to assist in resolving PCN appeals
- Introduction of re-locatable CCTV to enforce school Keep Clear markings
- Staff essential user paper permits will be phased out in 2018 and replaced by an on-line booking system to eliminate any misuse
- Serco has taken over the management of a range of specialist sub-contractors, including RingGo's cashless payments service, providing substantial cost savings;
- In 2016/17, 59% of on-street parking payments were made using cashless methods, compared with just 19% in 2012/13 before contract start
- Deployment of moped CEOs has facilitated a rapid response to reports of parking contraventions made by residents and Members
- Introduction of a permit reminder service providing text, email and letter
- Introduction of online case management to assist motorists to view and appeal their Penalty Charge Notice online
- Pursuing PCN debt on foreign registered vehicles abroad
- Accreditation to the Payment Card Industry Data Security Standard for all payments received, ensuring that credit card information is secure.

Further service innovations offered by Serco for the proposed contract extension are set out in the Appendix.

4.6 Enforcement and financial performance

The table below shows how enforcement and financial performance has improved since the pre-contract year, 2012/13. It is forecast that performance will improve further in 2017/18.

Key Performance Indicators	2012/13 (APCOA*)	2013/14 (SERCO mobilised)	2014/15 (SERCO)	2015/16 (SERCO)	2016/17 (SERCO)
PCNs issued by CEOs for parking contraventions	85,101	75,458	87,347	99,145	103,363
PCNs issued by CCTV for parking contraventions**	28,942	37,353	36,584	991	2,160
PCNs issued for bus lane contraventions	3,373	5,681	11,362	8,370	10,349
PCNs issued for moving traffic offences	25,367	24,029	27,512	73,990	72,221
Parking Account: net surplus	n/a	£7.914m	£8.957m	£10.119m	£11.724m ***

* Prior to 2013 the service provider was APCOA

** Since 2015/16 the number of parking PCNs issued by CCTV has dropped by almost 95%, following the introduction of the Deregulation Act 2015. This also had the effect of reducing enforcement revenue by an estimated £1.8m p.a. from 2015/16 onwards.

*** The entire £11.7m surplus in 2016/17 was utilised to meet 72% of the total cost of concessionary fares (the Freedom Pass)

4.7 Civil Enforcement Officer Productivity

Productivity is measured by PCN issuance per deployed CEO hour; the contract requires a productivity of at least 1.15 PCNs per hour. As the table below shows, since 2014 Serco has been able to exceed the productivity rate required by the contract specification. This improvement in productive activity is especially marked as the volume of enforcement has also increased.

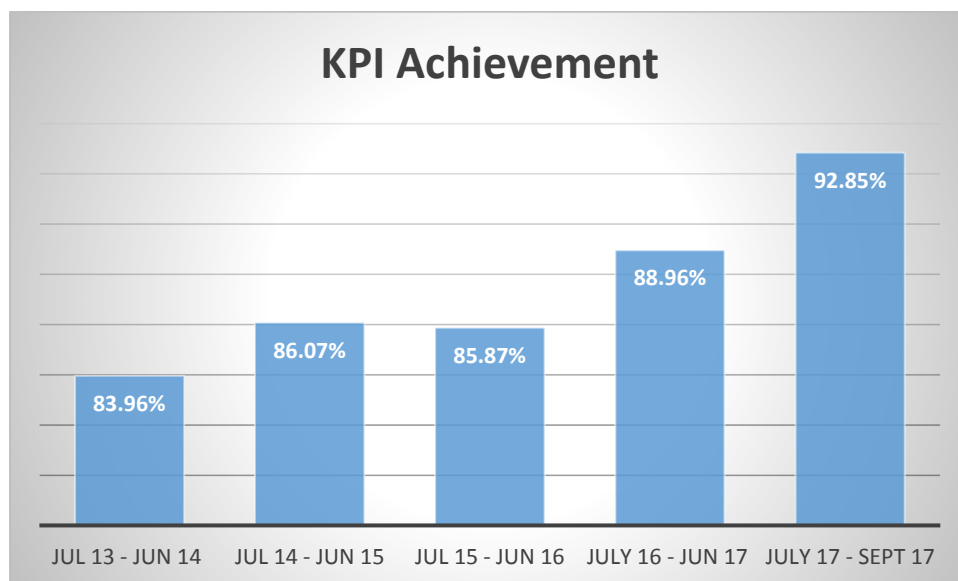
Contract year	PCNs issued	CEO Hours	Productivity (PCN/hour)
2017/18 (first 3 months)	25,987	20,998	1.24
2016/17 (Serco)	100,503	80,256	1.25
2015/16(Serco)	97,570	78,899	1.24
2014/15 (Serco)	93,045	77,615	1.20
2013/14 (Serco mobilisation)	74,113	71,840	1.03
2013 (APCOA – first six months of 2013)	42,682	49,084	0.87

CEO productivity is very difficult to benchmark. The issuance levels achieved are invariably held as contract data and not made available to other parties. Even if data

were to be made available, direct comparisons would be unreliable due to the different scale of operations in each authority and the impact of diminishing marginal returns. In effect the larger the scale of enforcement the lower productivity tends to be, as more locations with lower levels of contraventions are enforced. In authorities with smaller scale enforcement volumes than Brent, activity is focused on only the most contravened restrictions and productivity can appear artificially high.

4.8 Contract KPIs

The contract KPI basket is used to calculate the profit element of the contract paid to the contractor. The improved level of achievement achieved by Serco against the Brent basket of KPIs is set out in the chart below. Serco has achieved comparable KPI performance improvements in Hounslow and Ealing.



4.9 Benchmarking

A reliable comparison of contractor performance is difficult to secure as no formal information-sharing is undertaken by enforcement authorities. Only PCN issuance data is collected London-wide. An assessment has however been undertaken of Serco's performance in respect of PCN issuance in comparison with: Brent's previous contractor (APCOA). The table below illustrates a marked improvement in PCN issuance achieved by Serco compared to Brent's former contractor, APCOA.

	Brent PCN issuance: 2012/3 (APCOA) to 2016/7 (Serco)
Traffic and bus lane CCTV	Up from 27,719 (APCOA) to 82,615 (Serco) [+198%]
CEO Parking	Up from 85,101 (APCOA) to 103,424 (Serco) [+21%]

(PCNs issued by CCTV for parking offences are excluded due to the ban imposed by the 2015 Deregulation Act.)

5.0 Options Appraisal

Three Gateway options have been examined:

- Option 1: Extend current Serco contract for 4.75 years, to synchronise the end of term with the Veolia public realm and other environment contracts
- Option 2: Move all current Serco services in-house from July 2018
- Option 3: Let a new contract to commence from July 2018 by going out to market

Key issues have been identified for each of these options and are set out in detail below.

5.1 Option 1: Extend current Serco contract for 4.75 years to March 31st 2023

- The contractor's performance record is strong, as set out in Section 4 above
- This is reinforced by the strong financial record of the contract to date (see paragraph 4.4 above)
- High levels of enforcement performance have had a marked impact on PCN issuance, increasing the contribution which the service makes to fund the Freedom Pass (concessionary fares). This contribution last year covered 72% of the total cost (see table in paragraph 4.6 above), which would otherwise need to be met from the Council's general resources.

- Assurance of this high level of service and financial performance during the proposed extension period can be provided by Serco.
- Serco's capacity to expand enforcement will improve further through introduction of the London Living Wage in July 2018, in line with Brent policy. This will particularly benefit Serco's Civil Enforcement Officers (over 50 fte), facilitating the recruitment and retention of additional CEOs. Serco and the council had wished to bring this implementation date forward but this was blocked due to restrictions imposed by the Inter Authority Agreement with LB Hounslow.
- The £220k p.a. cost of introducing the London Living Wage for the whole workforce from July 2018 will be covered through efficiency savings to be delivered by Serco.
- During the course of the contract extension, neither Serco nor the council would be restricted to the London Living Wage as a fixed baseline salary. In principle, and if resources permitted, the council could in future decide on a policy change regarding the minimum salary expected for staff employed by contractors and external commissioned services. In respect of the Serco contract, this could be delivered through a contract amendment with an associated growth bid.
- Negotiations with Serco are progressing to achieve an additional £550k p.a. target for growth in revenue and savings from July 2018, integral to any agreement to extend the contract to March 2023 (£413k in 2018/19, then £550k p.a. from 2019/20 onwards). A range of service improvement options proposed by Serco are under consideration (see Appendix A), including more effective enforcement outside schools at peak times, and deployment of an experienced specialist team to target problem locations outside of normal enforcement hours. An extension to March 2023 would provide Serco with the commercial stability to deliver these improvements. A short term extension to the contract would not be viable in commercial terms, to facilitate the extension of capacity needed to deliver savings and service improvements at this level.
- A contract extension will facilitate development of a business case to extend more effective parking enforcement to Housing estates through a variation to the Serco contract
- There would be a further opportunity in Spring 2019 to secure additional economies of scale if Serco win the Ealing and/or Barnet contracts, utilising the inherent flexibility and transparency of the Open Book approach used in the current Serco contract; this opportunity would also arise if Hounslow agree to extend their contract with Serco
- There will be opportunities to test new ways of working with Serco during the contract extension including alignment with the proposed neighbourhood management approach to the provision of Environmental Services, and providing greater support to schools to meet the targets set out in their travel plans

- Serco has the capacity to deliver further growth in cashless parking provision, and to support any move towards fully cashless payments if the council decides to pursue that objective. This could provide cost reductions and reduced losses due to theft from machines. Within the next five years customer acceptance of cashless methods can be expected to increase, potentially making this a more viable option than previously considered.
- Formal PCN appeals will remain an in-house service, in compliance with Statutory Guidance, providing motorists with an assurance that appeals will be judged impartially at arms-length from the enforcement provider.

5.2 An extension of the Serco contract to March 2023 opens up strategic options for the Council to consider which could provide a greater opportunity for economies of scale. A more wide-ranging option covering a range of environmental services, aligned with the end of the Veolia and other contracts in March 2023, could potentially be more viable. This would facilitate full Member engagement from 2018 in analysis and decision-making; and provide sufficient time to plan for and implement whichever strategic option Members select.

5.3 Local Partnerships advised “... a number of currently outsourced service contracts co-terminate around 2023. This offers the council an opportunity to review their procurement and service delivery strategy across a range of service elements and bring these together in a consistent and considered solution. Future planning offers an opportunity therefore to consider the short to medium term up to this ‘pivot date’, and long term defined as after this. Based on the analysis undertaken, Local Partnerships recommends therefore that in the short to medium-term Brent works with Serco to test integration with Area Teams and elements for in-house provision. This should allow Brent to develop its knowledge of the service and what is possible and develop robust business case(s) in real-time with real data. Given the strong relationship with Serco and the ability to extend the current arrangement for a period of time, this will enable Brent to manage the risk to income / revenue of changing provision, in a sensible way.”

5.4 Option 2: Move all current Serco services in-house from July 2018

- It has not been possible to establish a viable business case for the creation of a new in-house Parking service on a short timescale, particularly in respect of the risk to functions relating to parking enforcement and permit issuance.
- A stand-alone in-house parking service, established on a like-for-like basis from July 2018, could be substantially more expensive than the current provision. This would be due to three main factors: higher staff direct costs than forecast under the agreed London Living Wage model, and higher staff on-costs (including pension provision); less favourable specialist sub-contractor charge rates (for example cashless parking) than those secured by Serco; and the substantial risk of lower enforcement performance and declining revenue. A growth bid would need to be brought forward to bridge the gap if this option were to be considered.

- Most local authorities have now outsourced parking enforcement; it has not been possible to identify a comparable authority which has returned an outsourced parking enforcement service successfully to in-house provision
- There is no recent experience within the council of direct management of parking enforcement services; and no recent experience of managing front-line public realm services on this scale – over 100 fte staff would be involved. Time and resources would be needed to create and build this capacity to provide a prospect of success.
- Complex management, Legal, HR, Procurement and Finance challenges would need to be considered with appropriate levels of staff input and other resources.
- TUPE would be a factor as the existing Serco staff would hold acquired employment rights on transfer of employment.
- This would be a high risk option given the unknown capability of a new parking service to meet current service performance standards (see section 4 above); if enforcement is weakened the level of parking contraventions could increase, making it more difficult for residents to find a parking space and increasing traffic congestion; in respect of enforcement this also implies a high corporate financial risk due to the substantial contribution of enforcement revenue to the parking surplus used to help fund concessionary fares.
- This risk of immediate disruption to permit issuance and parking enforcement services, in particular, could commence from January 2018 and cover a period of at least a further 18 months; due to (a) the winding down of the current contract and (b) the creation and mobilisation of a new parking service. (During 2013/14, the mobilisation year of the current contract, PCN issuance dropped by 10,000; equivalent to an expected £500k yield.)
- A new IT system for parking permit issuance would need to be procured and made operational for July 2018. Changing IT systems with a high customer turnover are inherently risky projects, and prone to time and cost overruns.
- Should there be disruption to parking enforcement or the issuance of permits to residents, there would be a clear impact on residents in 2018. Disruption to permit issuance would be a cause of stress and anxiety to residents, and could undermine enforcement action.
- There could be no assurance that the £550k p.a. forecast from the proposed contract extension could be delivered by a new parking service, or that efficiency savings could be delivered by a new service to cover the £220k p.a. cost of introducing the London Living Wage. Either of these risks would have a significant impact on current corporate budget planning assumptions were they to be realised

- Advice of specialist external parking consultants, Alpha Parking, engaged in 2017 was that a stand-alone in-house service established on a short timescale would be unlikely to be viable
- LB Ealing has also concluded that an in-house service would not be an immediate option. Their decision report advised: *“This industry has advanced at a rapid pace in terms of IT support and staff development. Coupled with the development of the Serco service on a reasonable scale, this means the contracted-out option continues to make economic and service efficiency sense.”*

A more wide-ranging in-house option covering a range of environmental services, aligned with the end of the Veolia and other contracts in March 2023, could potentially be a more viable option. This would facilitate full Member engagement from 2018 in options analysis and decision-making; and provide sufficient time to plan for and implement a strategic in-house option.

5.5 Option 3: Let a new contract by going out to the market

- Cost savings on the current contract price are unlikely to be achieved by re-tendering; Serco were awarded the contract in 2013 with the lowest price and there have not been any major new service provider entrants to the London market since then.
- The cost of the contract has not increased automatically by inflation over the initial five year term, increasing the likelihood that retendering the contract could increase costs
- Service quality provided by Serco has been markedly greater than anticipated at the time of the contract award; there is a risk that another provider would not offer the same quality, reducing the effectiveness of enforcement and a reduction in net enforcement. Benchmarking the performance of another leading contractor provides some evidence to support this assessment (see 4.7 above).
- Procurement costs would be incurred
- In the longer term more strategic tendering options will be available, aligned with the end of the Veolia contract in March 2023
- Serco may not submit a tender if the contract is re-let, limiting the value of the competitive process; if Serco did tender their price might well increase
- Service disruption would be inevitable in the transitional period up to July 2018
- There would be an unavoidable performance dip from early 2018 to mid-2019 at least as Serco withdraw from the service and a new contractor is mobilised.
- A replacement parking permit IT system would need to be in place from July 2018, with a high risk of service disruption and increased resident dissatisfaction should the timetable not be met

Conclusion

5.6 Taking into account the conclusions of the analysis presented above, officers recommend that the Council should exercise its contractual option to extend the Parking Services contract with Serco for a period of 4.75 years to 31st March 2023. This recommendation has been endorsed by the corporate Commissioning and Procurement Board.

5.7 The parking contract contains provisions for change control, and a number of significant changes have been made to service provision since 2013. Further service changes can be introduced into the contract through this mechanism. An opportunity to consider change could be taken during the 2018/19 contract year, given that an Open Book review will be scheduled for that period which will take account of any additional parking contracts gained by Serco. This would provide Members with the opportunity to seek further changes and innovation through the contract. An example is the possibility of a greater drive towards cashless parking, as identified above.

6.0 Financial Implications

The Parking Enforcement service annually costs £4.5m, and this report evaluates three options for continued service provision after the current contract ends in July 2018. The recommended option stated in paragraph 2.1 is to extend the current Serco contract to 31st March 2023. As part of the contract extension negotiations, officers are seeking from Serco a reduction in the contract price to meet the 2018/19 £0.55m procurement contract savings target.

7.0 Legal Implications

7.1 Officers' preferred option is to extend the existing Parking Services Contract with Serco by four years and nine months to 31 March 2023. The initial term of the Parking Services Contract expires on 3rd July 2018. The Council has an option to extend the term of the contract by up to a further 5 years by giving no less than six month's written notice expiring at the end of the initial contract term.

7.2 Any extension of the Parking Services Contract is subject to price adjustment in accordance with clause 29. This provides that the parties shall agree an appropriate price adjustment. Clause 29.4 indicates that any price increase shall not exceed the percentage change in the Approved Indices between the Commencement Date and the date 6 months before the end of the Initial Contract Period.

7.3 As indicated in paragraph 3.2, the Parking Services Contract was procured as part of a West London Alliance project involving the London Boroughs of Ealing and Hounslow. Both Ealing and Hounslow are parties to the contract and the three boroughs have operated it jointly during the initial term under an inter-authority agreement. Ealing is extending its element of the contract to 31 March 2019 but it is not clear whether Hounslow will be extending its element of the contract and

if so, for how long. Irrespective of whether the contract is further extended by Hounslow, the three boroughs have decided not to continue to operate the contract jointly after the expiry of the initial term and will need to agree exiting arrangements from the Inter-Authority Agreement.

7.4 With parties leaving the Parking Services Contract, there will need to be certain variations to it as a result although it will not be possible to know the extent of the variations until Hounslow have confirmed their intentions. In addition to these variations, it is proposed that the contract will be varied to address the service improvements and efficiencies proposed in Appendix A.

7.5 Should the Council chose to re-tender the Parking Services Contract from July 2018, the estimated value based on the current contract would mean that the contract would be classed as a High Value Contract under Contract Standing Orders and would require a full tender exercise to be undertaken in order to comply with Contract Standing Orders and Public Contract Regulations 2015.

7.6 Should the Council chose to move in-house all services provided under the Parking Services Contract, the Transfer of Undertaking (Protection of Employment) Regulations 2006 is likely to apply to a large number of Serco staff working on the Brent element of the contract who would transfer to the employment of the Council.

8.0 Equalities Considerations

8.1 Standards within the contract will ensure that the service provider continues to comply with the Council's policies for equalities.

8.2 An initial equalities impact assessment screening has been completed in respect of the recommendation to extend the Serco contract by 4.75 years. It is considered that there will be no adverse impact or discrimination against any of the specified equalities groups.

9.0 Consultation with Ward Members and Stakeholders

9.1 The parking service covers the whole borough and therefore preliminary consultation has not taken place with specific ward Members.

9.2 Specialist consultancy support from Alpha Parking and Local Partnerships has informed the analysis contained within this report.

9.3 The Council's Commissioning and Procurement Board has endorsed the recommendation of the report.

10.0 Human Resources/Property Implications

10.1 It is anticipated that Serco will continue to provide the service from their current Whitby Avenue depot, located within Brent.

10.2 There are no specific implications for Council staff. Formal PCN appeals, notice processing and debt collection management will continue to be dealt with by the in-house Notice Processing team of 14fte staff.

Report sign off:

AMAR DAVE

Strategic Director of Regeneration & Environment