

CIVIL PARKING ENFORCEMENT (CPE) CONTRACT PROCUREMENT

To: Cabinet

Date: 7th July 2009

From: Executive Director: Environment Services

Electoral division(s): All

Forward Plan ref: Not applicable **Key Decision:** No

Purpose: To consider contract procurement arrangements for a new civil enforcement parking contract for Cambridge.

Recommendation: Cabinet is recommended to:

- i) Agree the procurement of a new enforcement contractor based on the current form of contract with modifications to comply wholly with Government parking enforcement guidance;
- ii) Agree the procurement of an Information Technology (IT) system for notice processing through a separate procurement process; and
- iii) Note the timetable for contractor procurement, shown in Appendix B.

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1. OBJECTIVES

1.1 The objectives of Civil Parking Enforcement (CPE) are to manage parking to:

- reduce congestion
- encourage correct, sensible and safe parking
- improve compliance with parking restrictions
- ensure designated parking spaces are used only by those they are intended for
- enable buses to operate more effectively
- improve air quality, health and the general environment
- reduce delays for emergency services
- keep Cambridgeshire moving

2. BACKGROUND

2.1 Along with speeding, parking enforcement is a popular topic raised at neighbourhood panels, where concerns have been voiced over the lack of enforcement. The potential for a countywide CPE operation has been discussed with the District Councils through the Planning and Transport Joint Lead Members Forum, when various service delivery options were considered.

2.2 At its meeting on 15th January this year, Cabinet considered a report that outlined some informal discussions with District Councils on the potential to extend civil parking enforcement (CPE) arrangements beyond Cambridge. The report also considered the outcome of a review of the current parking services agreement with Cambridge City Council through which CPE is delivered in Cambridge.

2.3 Cabinet resolved to:

- i) Note the informal discussions on extending CPE to outside Cambridge;
- ii) Approve serving notice of termination of the parking services agreement with Cambridge City and to transfer the staff involved to the County Council under the Transfer of Undertaking and Personal Employment rights regulations (TUPE);
- iii) Support negotiations with the City Council on arrangements to provide civil parking enforcement for its off-street car parks; and
- iv) Support preparatory work for the procurement of a new civil enforcement contract for Cambridge, to include options for the inclusion of other districts under any extended CPE scheme.

2.4 Informal discussions with District Councils are continuing and it is expected that a report on a potential expansion of CPE to areas outside Cambridge will be considered by Cabinet in September.

2.5 Arrangements for the termination of the City Council agreement on 31st March 2010 are now being agreed with the City Council. Discussions are also in hand on an agreement whereby the County Council will provide enforcement within the City Council's off-street car parks where and when it requires it.

- 2.6 The current contract with Legion Parking for enforcement services in Cambridge is being extended through to 31st March 2010 and a new contract needs to be in place for 1st April.

3. CONTRACT PROCUREMENT

Options

- 3.1 Officers, including some of those who will transfer from the City Council to the County Council upon termination of the parking services agreement, have reviewed the options available for the procurement of a new contract. 3 options have been considered:

Option A: re-tender using the current contract format

Option B: tender using the British Parking Association (BPA) standard contract

Option C: draft a new contract for tendering

- 3.2 Considerable time and resource went into developing the current contract and it is questioned whether there is any justification for, in effect, reinventing the wheel, under Option C, particularly as there is a viable alternative option of the BPA contract. For these reasons, officers have not explored Option C in any detail.

- 3.3 **Appendix A** sets out a critique of Options A and B, based on experience for Option A and feedback and advice from consultants on Option B.

Countywide context

- 3.4 To facilitate future participation in a joined up countywide parking enforcement scheme, the tendering process for a new contract will include options to 'bolt on' enforcement in other areas of the county.

Comments and conclusions

- 3.5 Options A and B are similar, both providing a schedule of rates for the deployment of parking attendants. The current contract includes the provision of the IT system for notice processing but the actual processing is managed in-house. Overall, this has delivered a good service with a low level of appeals and little adverse comment from the public. An annual report on performance has been scrutinised by the Cambridge Environment and Traffic Management Area Joint Committee and the feedback from members suggests a good level of performance.
- 3.6 However, there is some scope for improvement, including the procurement of the IT system direct rather than through the enforcement contract. There are also other, more minor adjustments to make the contract comply fully with the parking guidance issued by Government last year. It is considered that there is some scope for reducing enforcement officer deployment costs through a new tendering process.
- 3.7 The BPA contract is used by a number of authorities with mixed but generally positive outcomes. Consultants, RTA Associates, advise that the contract has

generally been well received by the industry but that there are some areas of weakness where changes are to be made by the consortium of authorities currently using it. However, at this time there is no timetable established to make these changes. The BPA contract does not include the provision of an IT system for notice processing.

Conclusion

- 3.8 Options A and B both offer a viable way forward for contract procurement. However, on balance, and taking into account the familiarity of officers with the current contract and that changes may be made to the BPA contract at some, as yet, unspecified date, **it is recommended that Option A be pursued** with modifications to achieve more reliable and cost effective arrangements for parking enforcement. IT requirements would be met through a separate procurement process. The contract would include an option of expanding enforcement to areas outside Cambridge to facilitate the involvement of any District Council that wishes to participate in joined up parking enforcement. **Appendix B** sets out a timetable for contract procurement.
- 3.9 Funding for the procurement process has been allowed for in this year's on-street parking account budget. The outcome of a tendering process will be reported to Cabinet to facilitate decisions on awarding a new contract.

4. SIGNIFICANT IMPLICATIONS

Financial

- 4.1 There is the potential for operational savings through new contract procurement.
Impact: Significant.

ICT

- 4.2 The procurement of a new IT system will create opportunities for operational savings and improved performance through the upgrading of hand held equipment for parking attendants.
Impact: Some.

Human Resources

- 4.3 Transfer of current contract staff to the new service provider under TUPE with terms and conditions retained.
Impact: Some.

Performance

- 4.4 The current contract performs well and It is expected that the new contract will at least maintain and potentially improve performance.
Impact: Some

Best Practice

- 4.5 A new contract will give an opportunity to comply fully with new parking enforcement guidance and regulation within the Traffic Management Act.
Impact: Significant.

Key Risks

- 4.6 A failure to renew the enforcement contract carries the key risks shown below:
- a) Failure to adequately manage parking enforcement will increase congestion and undermine road safety;
 - b) Failure to cover the costs associated with parking enforcement will impact on budgets; and
 - c) Failure to adequately manage parking enforcement will undermine demand management and modal shift strategies.
- 4.7 In order to manage these risks the mitigating actions shown below are to be taken in accordance with the management action plans prepared by the identified risk owners:

Risk (a)+(c): Maintain a joint approach to CPE with the City Council to keep traffic moving, to reduce the risk of accidents on the road network and to encourage modal shift to sustainable forms of transport

Risk (b): Apply suitable parking charges, where appropriate, to ensure that any CPE operational deficit can be covered.

Statutory Duties / Requirements

- 4.8 The procurement process for enforcement is subject to EU legislation and will also require support from Legal Services to ensure statutory requirements are satisfied.
Impact: Significant.

Partnerships

- 4.9 Government seeks a partnership approach to CPE with Districts working with Counties to provide a joined up parking enforcement service. There is the potential for maintaining partnership working through a reciprocal arrangement for parking enforcement in city council car parks. The new contract will provide the opportunity of future expansion of CPE to other Districts with the opportunity for partnership working.
Impact: Some

Climate Change

- 4.10 This project will result in the following changes in the County Council's contribution to climate change:
- a. The effective management of on street parking will support a modal shift towards sustainable forms of transport; and
 - b. The effective management of on-street parking controls through CPE will contribute towards improving air quality by encouraging modal shift towards

sustainable transport.
Impact: Some

Greenhouse Gas Emissions

- 4.11 CPE will influence modal choice and encourage greater use of sustainable transport, thereby reducing vehicle emissions.
Impact: Some

Inclusion

- 4.12 CPE will ensure the facilities made available for disability parking are better protected from abuse by other motorists.
Impact: Some

Transport

- 4.13 CPE is a key element in ensuring the expeditious movement of traffic on the county network, as required by the Traffic Management Act.
Impact: Significant
- 4.14 No impacts identified for Environment, Property and Facilities Management Crime and Disorder, Engagement and Consultation, Voluntary Sector, Equality and Diversity categories.

Source Documents

Cabinet Agenda and Minutes 27/01/04, 10/07/08,
15/01/09

County Council on-street parking policy

Location

ET1028
Castle Court
Cambridge

COMPARISON OF CURRENT AND BPA FORMS OF CONTRACT

Parking enforcement in Cambridge City has been contracted out since the commencement of local authority enforcement. This first contract is now approaching renewal, and decisions have to be made about the form and content of the next contract, in order that lessons can be learnt from the past few years, and the best delivery of service can be achieved for this vital element of traffic management.

It has been recognised that local authority parking enforcement will be extended to the rest of the county in due course. Discussions are taking place with the Districts outside of the City to establish if they wish to avail themselves of a centrally managed contract to manage their off-street car parks as part of a unified enforcement service across the whole county, operated by the County Council. The extension of parking enforcement to the on-street areas outside of the City, and to the District owned car parks would roughly double the size of the existing contract.

The current contract is held by Legion Parking Services and is generally regarded by officers of the County and City to have been a success. This success has been in part due to good contract management by the City, to the choice of Legion as the enforcement provider, and to the nature of the contract itself, which was designed from the outset to promote flexibility and partnership working.

Vital elements to any contract are the specification of the services and the terms and conditions of the contract services. The specification covers the detailed content of the services, and decisions need to be made as to exactly what is to be included in the next contract. For example, the delivery of the vital aspect of IT services as written into the existing contract have not lived up to expectation; one lesson here is that enforcement contractors are probably not best placed to design, deliver and maintain a high-tech service. This note is about the choice of the terms and conditions for the next contract. The current contract has terms and conditions that were created by the original team who developed the contract, which included City officers, specialist consultants and external lawyers from Sharpe Pritchard. The alternative to that is to use the British Parking Association (BPA) "Model Contract", a contract framework owned by the BPA, and available on license to members. This note compares and contrasts these two options, to assist in making a decision regarding the choice of legal framework to be used.

WHICH CONTRACT IS TO BE CHOSEN?

Existing contract – the pros and cons

- It will be easily recognisable and useable by officers.
- The existing contractor knows the contract well; however, there is no reason to think the existing contractor will win the new tender
- Some legal costs will be involved in changing the terms and conditions, as the specification is likely to change
- It works and has been well received by officers who have to manage the contract
- There are some contracting practices e.g. a small payment in recognition of PCNs issued, which are no longer acceptable within DfT Guidance
- It is built around a default system for specific items of service, to financially penalise the contractor for errors and omissions in service delivery

- It is based on a schedule of rates concept which is very well suited to extending the contract scope outside of the City
- The existing specification is broadly acceptable but will need changing, amongst other matters, for amendments to service delivery, for wider geographic scope and for providing a third party service to Districts for their car parks

The BPA Model Contract – pros and cons

- The model contract is a generic framework – it requires work to suit it to a new contract but it is built to be tailored to suit new circumstances; the timescales for the legal aspects would be much shorter than changing the existing contract (and time is tight in this renewal project);
- It costs to license but the costs are minimal compared to the legal work in changing the existing contract
- It is a nationally recognised contract framework based on civil engineering contracting concepts
- It works – it is in use for some of the largest enforcement contracts in the UK – several London Boroughs, the City of London, Northern Ireland, Edinburgh.
- The terms and conditions were written by Nabarro, a major local government specialist legal practice;
- The contractors are all familiar with it – that is one of the main reasons for its existence, in that it reduces their costs of tendering, and removes uncertainty from the tendering process, hopefully to be reflected in lower pricing
- A national User Group exists to share experience in its use
- The modal contract is under constant development to recognise shortcomings and to build on others' experiences
- The BPA report that Members and senior officers appreciate the “national” context in PR matters relating to enforcement
- It is built around a system of key performance indicators for monthly review of service delivery, to minimise unconstructive, adversarial relationships
- It requires joint management of the contract and client/contractor involvement cannot be avoided
- One option is to build the specification around a schedule of rates concept, as used currently
- A specification will have to be developed but this could almost certainly be based on the specification within the existing contract.

CONTRACT PROCUREMENT TIMETABLE
(attached)