

EAST HERTS COUNCIL

ENVIRONMENT SCRUTINY COMMITTEE – 14 SEPTEMBER 2010

REPORT BY THE DIRECTOR OF CUSTOMER AND COMMUNITY SERVICES

7. EVALUATION AND AWARD OF PARKING ENFORCEMENT AND MANAGEMENT CONTRACT

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

RECOMMENDATIONS FOR ENVIRONMENT SCRUTINY COMMITTEE	
(A)	The Committee acknowledges the use of the BPA Model Contract in the tendering process;
(B)	The Committee accepts and recommends the use of a 50% price and 50% quality mix in the awarding of the contract;
(C)	The Committee accepts and recommends the proposed formula for the evaluation of tenders; and
(D)	The Executive be informed of any recommendations arising from these processes.

1.0 Background

1.1 The Council's current parking enforcement and management contract will expire on 16 January 2012. Work has begun on preparing new tender documents, to be issued in January 2011. Contract award is due to take place around August 2011. Officers would welcome Member comment and agreement to the balance of the evaluation and award criteria for this new contract.

2.0 Report

2.1 During 2011 East Herts Council will award a new contract for the provision of parking enforcement and management services to commence on 17 January 2012. East Herts will continue in partnership with Stevenage Borough Council and Welwyn Hatfield Borough Council for the provision of on-street parking

enforcement and a back office notice processing service for the duration of this new contract.

- 2.2 The contract will be for five years with provision for a maximum two year extension. Both partner councils have advised that they consider their primary engagement in the process to be through the Agency Agreement between each council and East Herts Council. Each is content for East Herts Council to act as the lead authority for the purpose of the re-tender itself.
- 2.3 The Council will use a new form of contract devised by the leading industry body, the British Parking Association and recommended by the Department for Transport. This contract is unconventional in that it does not incorporate an extensive schedule of defaults and liquidated damages relating to non-performance. This is replaced by a set of Key Performance Indicators aimed at incentivising and rewarding excellent performance through the contractor's delivery of the traffic management objectives of Civil Parking Enforcement. A hyperlink to a presentation on the BPA Model Contract is offered below.
- 2.4 An additional advantage of the BPA Model Contract is that it incentivises the service provider to seek out innovative ways of reducing costs, with savings being shared between contractor and Council.
- 2.5 The relative weighting of price and quality factors is a significant decision when awarding any contract. The parking contract is largely for the provision of labour in the form of Civil Enforcement Officers (CEOs), who are the public face of the service. CEOs do a difficult job in sometimes difficult and challenging conditions and the quality of customer service they and the council's 'back office' staff provide will be of prime concern to this authority and our partner authorities.
- 2.6 To ensure qualitative aspects are afforded due prominence whilst also acknowledging quantitative considerations, officers propose to award the new contract on a 50% price, 50% quality basis.
- 2.7 In respect of the evaluation of price, the formula to be used will be as proposed by the Council's Director of Internal Services:

- i) Lowest price Maximum price points
- ii) Other prices $\frac{\text{Lowest price}}{\text{Other tender price}} \times \text{Maximum price points}$

2.8 A similar formula will be applied in respect of quality:

- i) Highest score Maximum quality score
- ii) Other scores $\frac{\text{Other tender score}}{\text{Highest score}} \times \text{Maximum quality Score.}$

2.9 There are two main elements to this contract – the provision of an enforcement service and the provision and management of an IT system to support the notice processing, permit and dispensation management functions. It is likely that bidders will sub-contract the IT element; however it is intended that there be a single point of contact for the management and delivery of all services specified in the contract.

2.10 Officers propose that each of the two elements is evaluated separately on the bases of cost and quality and that these scores are then combined to arrive at an overall score. Failure to exceed a minimum threshold on one element would disbar the tenderer irrespective of their score for the other element.

3.0 Implications/Consultations

3.1 East Herts Council has a duty to enforce on-street parking controls in its own area and Stevenage and Welwyn Hatfield by virtue of two Agency Agreements; the first between the three councils and Hertfordshire County Council and the second between the three district councils.

3.2 Effective enforcement contributes significantly to key traffic management objectives, including improving road safety and managing and reconciling competing needs for kerb space.

3.3 Effective enforcement of car parks ensures an appropriate turnover of vehicles in short stay car parks and by virtue of promoting compliance helps ensure that pay and display income is maintained.

3.4 Service enhancements that officers anticipate becoming available as a result of this retendering exercise and which might deliver cost savings to the authority, include;

- i) ability for motorists to view the PCN record and images online as a form of “self diagnosis”;
- ii) ability for motorists to renew their resident parking permit online;
- iii) ability for motorists to submit an electronic appeal to the Traffic Penalty Tribunal;
- iv) ability for the council to transmit appeal evidence electronically to the Traffic Penalty Tribunal;

Background Papers

- i) Presentation on the BPA Model Contract given by Parking Associates on 7 July 2010.
www.eastherts.gov.uk/bpamodelcontract
- ii) Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions Part 2 (Objectives of CPE)
<http://www.dft.gov.uk/pgr/roads/tpm/tmaportal/tmafeatures/tmapart6/betterprkstatutoryguid.pdf>

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ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives:	<p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p>
Consultation:	N/A
Legal:	<p>The retendering of the contract will be undertaken in accordance with the EC Public Contracts Directive and the council's Contract Procurement Rules.</p> <p>On-street enforcement will be undertaken under the auspices of a continuing Agency Agreement between each district council and Hertfordshire County Council. Revised Agency Agreements will be entered into between East Herts Council and Stevenage and Welwyn Hatfield Borough Councils for the continuation of the partnership.</p>
Financial:	<p>Contract drafting and tendering costs, including those of a specialist consultant appointed to assist in the process, were agreed in the MTFP. Stevenage and Welwyn Hatfield Council will contribute to these costs on a pro-rata basis.</p>
Human Resource:	N/A
Risk Management:	N/A