

Report to: Cabinet

Date of Meeting: 12th January 2017

Subject: Parking Enforcement Contract / Community Wardens

Report of: Head of Regulation & Compliance

Wards Affected: All

Is this a Key Decision? No **Is it included in the Forward Plan?** No

Exempt/Confidential No.

Purpose/Summary.

To seek an extension to the existing contract for Parking and Environmental Enforcement and to seek permission to negotiate with the one tenderer on their submission.

Recommendation(s)

1. That Cabinet agree to extend the current contract for parking enforcement and environmental enforcement until the 31st March 2018.
2. That Cabinet agree that officers enter into a negotiated process with tender No 1 in relation to the proposed new contract, due to competition being absent for Technical Reasons.
3. That Officers report on the outcome of the negotiated process to the Cabinet Member for Regulation, Compliance and Corporate Services.
4. Following on from the negotiated process and subject to it being successful, the Cabinet Member request the Head of Regulation and Compliance to draw up an appropriate contract with tenderer No 1.
5. It be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by the Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because there is a need to ensure that an enforcement provision is in place for 1 April 2017 and agreement will need to be reached by early January 2017 with the existing provider and sole tenderer.

How does the decision contribute to the Council's Corporate Objectives?

| <u>Corporate Objective</u> | | <u>Positive Impact</u> | <u>Neutral Impact</u> | <u>Negative Impact</u> |
|----------------------------|---|------------------------|-----------------------|------------------------|
| 1 | Creating a Learning Community | | ✓ | |
| 2 | Jobs and Prosperity | ✓ | | |
| 3 | Environmental Sustainability | ✓ | | |
| 4 | Health and Well-Being | | ✓ | |
| 5 | Children and Young People | | ✓ | |
| 6 | Creating Safe Communities | ✓ | | |
| 7 | Creating Inclusive Communities | | ✓ | |
| 8 | Improving the Quality of Council Services and Strengthening Local Democracy | ✓ | | |

Reasons for the Recommendation:

To ensure that the service of parking and environmental enforcement is provided to the Council at the most advantageous rate.

When this service was originally procured, it was procured on the basis of a core contract period of 5 years with no optional extension periods. The value of this contract is above the current EU Spend Threshold. Where an extension period was not provided for within the original OJEU Contract Notice and the value of the contract is above the current EU Spend Threshold, the Council's Contract Procedure Rules allow the Council to grant an extension, on a short term basis, in exceptional circumstances. Officers consider that the combination of factors in this case (i.e. single tenderer; submitted tender price beyond current budgetary provision; uncertain future budgetary position; statutory duty to provide enforcement service; and the Council's desire to develop an enhanced service to that currently provided) represent exceptional circumstances and are therefore proposing a contract extension as the most appropriate immediate course of action. The value of the proposed contract extension requires authorisation by Cabinet.

What will it cost and how will it be financed?

(A) **Revenue Costs.** The extension will be delivered within the current budget provision. The contract will only be let if it can be delivered within the current budget provision (note current replaces proposed)

(B) **Capital Costs.** Nil

Implications: The following implications of this proposal have been considered and where there are specific implications, these are set out below:

| | |
|---|-------------------------------------|
| Legal. As determined by the Council's Contract Procedures Rules, the contract will need to be sealed as its total value will be in excess of £100,000. Cabinet's authority is sought to extend the contract due to the value of the arrangement for the 12 month extension period. | |
| Human Resources. None | |
| Equality | |
| 1. No Equality Implication | <input checked="" type="checkbox"/> |
| 2. Equality Implications identified and mitigated | <input type="checkbox"/> |
| 3. Equality Implication identified and risk remains | <input type="checkbox"/> |

Impact on Service Delivery: The extension will allow for continued service delivery whilst the Council gives further consideration to the future delivery of this service and an enhanced service to deliver a more holistic approach to enforcement and the ambassadorial role.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD4457/16) has been consulted and notes from the report any costs (taking into account anticipated enforcement revenue), can be met from existing budgets in 2017/18. Budgets for 2018/19 onwards would need to be revised subject to contract renegotiation. Members would be appropriately advised as this work progresses.

The Head of Regulation and Compliance (LD 3740/16) has also been consulted and has no comments on the report

Implementation Date for the Decision:

Following the expiry of the "call-in" period for the Cabinet minutes.

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Background Papers:

None

1.0 BACKGROUND

- 1.1 The current contract for the provision of parking enforcement services (including environmental enforcement services) expires on 31st March 2017.
- 1.2 It was proposed that the new contract would commence on the 1st April 2017 and would also include enforcement of environmental offences such as littering and dog fouling as well as an increased focus on the ambassadorial role of the officers as a point of information. The ambition is for this contract in particular to support an improved environmental experience for those living, working and visiting Sefton
- 1.3 This approach has been endorsed by the Senior Leadership Board borne of a desire to enhance the 'Place' in which people work, rest and play. The emphasis for the Council continues to be to find smarter ways to improve productivity and deliver more within existing resources. This will result in Council officers and/or contractors taking an increased responsibility for the quality of environment they are working in on a day to day basis

The contract would include the following:

- Enforcement of parking contraventions and environmental offences including littering & dog fouling
- Community Support by assisting with directions, public transport information, etc
- Providing intelligence for the Council to act upon including pavement hazards (A boards/café overspill), broken street furniture, broken street lighting, exposed utility works, fly posting, potholes, overhanging trees, skips/scaffolding, etc
- Reporting 'Fresh Issues' (where quick action required) such as fly tipping
- Acting as a signpost for Council services and activities and encouraging participation. This could include health promotions, the leisure and cultural offer, events, etc

2.0 PROCUREMENT PROCESS

- 2.1 The process which has been followed is an open competition through the North West Opportunities Portal 'The Chest'.
- 2.2 An Invitation To Tender (ITT) document was created and posted on the Chest for all potential providers to access. A number of assessment criteria were developed in order to determine Contractors' ability to deliver a contract of this nature. These included:
- Working Relationships
 - Customer Care Practices and Policies
 - The Ambassadorial Role
 - Implementation Proposals
 - Operational Management
 - Use of Operational Policy and Procedures
 - Contract Commencement and TUPE

- Performance Indicators and Monitoring
- Future Developments
- Cash Collection, Counting and Banking

- 2.3 Tenders were invited and assessed using a 'cost/quality' methodology. Officers considered that the quality element of the tender was of greater importance due to the ambassadorial role that the contractor is being asked to undertake. Consequently, the tender responses have been assessed on a 40% cost / 60% quality split.
- 2.4 The tendering opportunity, managed via the Council's Procurement Unit, was publicised and managed electronically within The Chest.
- 2.5 Only one provider (the current incumbent) submitted a formal tender bid. The low response demonstrates how narrow the marketplace is for this new and innovative combined service.
- 2.6 The cost of the tender would be in excess of the available budget.
- 2.7 On the 1st September 2016 Cabinet Authorised the Head of Regulation & Compliance to accept the Highest Scoring Tender in accordance with the approved basis of evaluation in consultation with the Cabinet Member.

3.0 **CURRENT POSITION**

- 3.1 The current position is complicated by the on-going consideration of the budget/Medium Term Financial Plan for 2017-2020 and the Council's Public Sector reform agenda.
- 3.2 Because only one tender was submitted in response to the open procurement process for the new service referred to above and with the price of that tender being above the current and anticipated budgetary provision, officers are seeking authorisation to enter into a negotiated procedure (under Regulation 32 of the 2015 Public Contract Regulations) with the tenderer in relation to their tender submission.
- 3.3 In light of the fact that the only tenderer for the new service is also the incumbent contractor, it is recommended that the existing contract for the provision of parking and environmental enforcement is extended until 31st March 2018. If the extension is granted then officers will negotiate with the current provider for the continuation of the existing contract to provide the service until 31st March 2018 within the budget to be agreed for 2017/18 (currently assumed to be the existing 2016/17 budget). It will be necessary to reach agreement with the existing provider by early January 2017 in respect of the proposed contract extension.
- 3.4 This extension will secure an enforcement service for 2017/18; allow time to undertake a negotiated procedure in respect of the submitted tender; and, if that procedure is unsuccessful, to identify and pursue other options for future provision.