

Notice of Non-key Executive Decision

Subject Heading:	Approval to award the contract for the provision of a Civil Enforcement System for Penalty Charge Notice issue and processing, and associated services.
Decision Maker:	Imran Kazalbash, Assistant Director of Public Realm
Cabinet Member:	Councillor Osman Dervish, Cabinet Member for Environment
SLT Lead:	Barry Francis, Director of Neighbourhoods
Report Author and contact details:	Jo Green, Parking Manager jo.green@havering.gov.uk
Policy context:	Cleaner and Safer
Financial summary:	The contract cost will not exceed £0.365m over 7 years with an option to extend for 2 years at an additional cost of £0.091m and will be funded from revenue budget A24670.641140.
Relevant OSC:	Environment
Is this decision exempt from being called-in?	Yes. This is a non-key decision

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input checked="" type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Assistant Director of Public Realm is asked to approve the award of a contract for the provision of a Civil Enforcement system for Penalty Charge Notice issue and processing, and associated services to Chipside Ltd commencing on 1 May 2022 for a term of seven years at a value of £364,675 with the option to extend for two years at an additional cost of £90,950.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 [Responsibility for Functions] of the Council's Constitution

Para 3.4 Powers of Second Tier Managers

Contract Powers

(a) To approve commencement of a tendering process for, and to award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

STATEMENT OF THE REASONS FOR THE DECISION

Background

London Borough of Havering currently operates a parking enforcement system but requires a modern digital system that can cover all its present and future needs.

This contract will enable the Council to carry out its enforcement duties and obligations efficiently and effectively under the Traffic Management Act 2004 with the full assurance that the system in place is completely robust.

Furthermore, there is an option to add suspensions, Fixed Penalty Notice (FPN) issue and skip licencing to this software without charge which would be of huge benefit to the council as currently these processes are manual.

The Council seeks to award a contract for an initial term of 7 years with an option to extend by up to a further 2 years.

Tendering Process

The contract was procured by undertaking further competition using ESPO Framework 509_19 Lot 4 Civil Enforcement Solutions.

There are 8 suppliers on the Framework Lot. In total the Council received four submissions. Two submissions were deemed non-compliant and therefore were not evaluated.

Bidders were asked to provide responses to nine method statement questions which were evaluated by four evaluators and a moderated score agreed.

Bidders were also asked to submit pricing for the supply of hardware and software, document management, implementation, and change, DVLA requests, and printing and posting.

In addition, bidders were asked to provide prices for additional services which may be required later in the contract e.g., Fixed Penalty Notices, Skip Permits, Highways Permits, Back-office customer support, on-site training of system function and modules and virtual training of system functions and modules. These additional costs did not form part of the price evaluation.

The bids were assessed against an evaluation criterion of Price (60%) and Quality (40%), with the latter weighted in accordance with Table 1 below.

Table 1:

Non-key Executive Decision

Fitness for purpose including quality	
1. Social value	5%
2. Mobilisation	5%
3. Data Migration	5%
4. Change & Development	5%
5. Support	5%
6. Future Proofing and Development	5%
7. Environmental	5%
8. Risk	5%
Quality sub-total	40%
Total	100%

The procurement exercise delivered two high standard bids and the evaluation team felt confident that either of the suppliers would be able to deliver the service required. However, Chipside Ltd scored higher in both the combined pricing and quality (Overall scoring for Chipside 98.33 and the second bidder overall score was 81.94).

Following the evaluations, it was agreed that Chipside Ltd offered the most economically advantageous tender (MEAT) based on the bids provided.

The supplier must be ready to implement the required solutions within 12 weeks of the commencement of the contract.

Expenditure

The value of the contract is £364,675 with the option to extend for two years at an additional cost of £90,950.

The costs are based on

- (i) the supply, maintenance, and support of handheld computers,
- (ii) mobile printers,
- (iii) licence costs (to include hosting annual maintenance and the support) and
- (iv) permit management software and real-time data service
- (v) document management
- (vi) implementation and change, and
- (vii) administration of DVLA requests.

Table 2:

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
£91,825	£45,475	£45,475	£45,475	£45,475	£45,475	£45,475

Efficiency Gains and Benefits Realisation

This contract will enable Havering to deliver a cost-effective parking enforcement service, including the issuing of parking permits with the opportunity to add in additional modules such as Fixed Penalty Notices, Licences and Highways Permits as the Council requires.

An improved system would mean effective parking enforcement thereby resulting in better parking management on Havering streets as well as improved road safety for all users. The system will also ensure there is full confidence in dealing with challenges as these can be quite contentious and costly to the Council.

Non-key Executive Decision

OTHER OPTIONS CONSIDERED AND REJECTED

Do nothing: without a new Parking IT contract the Parking Service function will cease. The Parking IT covers all aspects of Parking enforcement, from PCN issuance, challenge, and representation responses, through to debt recovery.

Use existing system: this is not appropriate as the existing contract expires in April 2022.

PRE-DECISION CONSULTATION

Cllr Dervish, Lead Member for Environment, Barry Francis, Director for Neighbourhoods, Gateway Review Group and Business Partners

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Jo Green

Designation: Parking Manager

Signature:



Date: 3rd May 2022

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a duty to manage traffic under the Traffic Management Act 2004.

The Council has the power to enter into contracts under the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. The Council has the power under this section to agree to the proposals in the recommendations.

This report seeks approval to award the contract for the provision of a Civil Enforcement system for Penalty Charge Notice issue and processing, and associated services to Chipside Ltd.

The value of the proposed contract is £0.365m over 7 years plus the optional extension of 2 years at an extra cost of £0.091m. The Public Contracts Regulations 2015 (as amended) (PCR) require contracts over the relevant threshold to comply with the Regulations. The predominant element of the proposed contract is for the supply services.

The Local Authority is a Contracting Authority for the purposes of the Public Contract Regulations 2015 (as amended) (PCR). The value of the contract is above the threshold for services of £213,477, therefore this Contract is subject to the full rigours of the Regulations as well as the Council's Contract

Non-key Executive Decision

Procedure Rules (CPR). The body of this report confirms that the tender process has been conducted in accordance with the PCR and the CPR.

All Contracts with a value above £150,000 must be executed under seal (CPR Rule 17).

The Legal team are available to assist with the drafting and sealing of the contract.

FINANCIAL IMPLICATIONS AND RISKS

The total cost of the 7 year contract is £0.365m with the option to extend for a further 2 year period at a cost of £0.091m. This will be funded from the revenue budget A24670 641140.

Revenue spend for the current contract is c£164k for the 21/22 financial year. The new contract is not expected to incur any additional costs as the annual revenue spend for the duration of the contract is expected to be less than the revenue spends for the current contract.

Budgets are being reviewed and re-aligned for the 2022-23 financial year. Any budget shortfall will be met from efficiencies and met by existing budgets

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations in this report do not give rise to any identifiable HR risks or implications that would affect the Council or its workforce.

As this contract is being awarded to the incumbent supplier there are no training issues to consider. New members of staff are trained in-house, using experienced staff.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

There are no environmental or climate change impacts from this contract award

Non-key Executive Decision

BACKGROUND PAPERS



2408 Procurement of
Civil Enforcement ass

APPENDICES

None

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed

Name: Imran Kazalbash

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title: Assistant Director for Public Realm

Date:

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

Non-key Executive Decision

Executive Decision Report Audit Trail

Position/Title	Directorate	Date Sent	Date received	Date Cleared
Cabinet Member for Environment	Cabinet Lead Member			
Director of Neighbourhoods	SLT Director			
	Legal			
	Finance			
	Human Resources			
	Equalities			
	Health			
	Democratic Services			