

## CABINET MEETING – 6<sup>th</sup> NOVEMBER 2002

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

**APPOINTMENT OF PARKING ENFORCEMENT SERVICES CONTRACTOR**

**Author(s):**

Director of Development and Regeneration

**Purpose of Report:**

Advise Members of the tendering process for the appointment of a Parking Enforcement Services Contractor in order to implement Decriminalised Parking Enforcement (DPE) as from 3 February 2003

**Description of Decision:**

Cabinet is RECOMMENDED to :

- i) accept the Tender submitted by Tenderer 3
- ii) nominate Members to sit on the Joint Committee of the National Parking Adjudication Service and a substitute
- iii) consider the request from the Trades Union representatives for the inclusion of “superTUPE” provisions in the contract

**Is the decision consistent with the Budget/Policy Framework?**

**\*Yes**

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

To enable the introduction of Decriminalised Parking Enforcement (DPE) in the City of Sunderland by accepting the most economically advantageous tender.

**Alternative options to be considered and recommended to be rejected:**

Previous reports to Cabinet approved this course of action. Not to proceed with the appointment would prevent the adoption of DPE

**Is this a “Key Decision” as defined in the Constitution?**

Yes

**Is it included in the Forward Plan?**

Yes

**Relevant Review Committee:**

Environment and Community Services

**APPOINTMENT OF PARKING ENFORCEMENT SERVICES  
CONTRACTOR**

**REPORT OF THE DIRECTOR OF DEVELOPMENT AND REGENERATION**

**1.0 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek approval to appoint a Parking Enforcement Services Contractor to enable the implementation of Decriminalised Parking Enforcement (DPE) as from 3 February 2003.
- 1.2 In making a decision, Cabinet is asked to consider a request from the Trades Unions representatives for the inclusion of "superTUPE" provisions within the contract.
- 1.3 Member nominations for the Joint Committee of the National Parking Adjudication Service are also sought.

**2.0 DESCRIPTION OF DECISION**

- 2.1 Cabinet is recommended to;
  - i) accept the Tender submitted by Tenderer 3.
  - ii) nominate a member to sit on the Joint Committee of the National Parking Adjudication Service and a substitute.
  - iii) consider the request from the Trades Unions representatives for the inclusion of "superTUPE" provisions in the contract.

**3.0 BACKGROUND**

- 3.1 Decriminalised parking is where enforcement of on street waiting restrictions and other non-endorsable motoring offences will cease being the responsibility of the Police and will be undertaken by the Council as local traffic authority. This will allow the Council to enforce both on and off street parking in a co-ordinated manner, which, for the first time, will provide a comprehensive single point for responsibility for the control of public parking. The Council will have direct control to ensure that traffic regulation orders are observed and where appropriate Penalty Charge Notices (PCN's) issued. The Police will retain responsibility for offences such as unnecessary obstruction, parking on zig-zags, parking in a dangerous position and moving traffic offences.
- 3.2 The income, accrued from PCNs is retained by the Council, to be used to fund the DPE scheme, with any surpluses being ring fenced under Section 55 of the Road Traffic Regulation Act, 1984, for certain parking and public transport and highway related matters.

- 3.3 At its meeting of 14 November 2001, Cabinet gave approval to progress the introduction of DPE, with an implementation date of October 2002. Subsequently, due to required further consultations with the Trade Unions, Northumbria Police and employees the implementation date has been revised to 3 February 2003 and agreed with the Department for Transport (DfT).

#### **4.0 PROGRESS TO DATE**

- 4.1 In February 2002 a letter was forwarded to various agencies informing them of the Council's intention to introduce DPE. These included; all adjacent local authorities, hospitals within the city, the emergency services, the Highways Agency, the National Parking Adjudication Service, the Drivers and Vehicle Licensing Association, Northampton County Court (The Traffic Enforcement Centre), AA and RAC, University of Sunderland, North East Chamber of Commerce, City Centre management and Northumbria Police. No objections were received.
- 4.2 In April 2002 an application was made to the Department for Transport (DfT) requesting that the City Council be permitted to adopt DPE powers. Approval to proceed was given and the necessary Legal Order to be placed on the statute books is currently being processed through Parliament.
- 4.3 Six suitably experienced Contractors were selected for the tendering exercise in accordance with EU procurement requirements and those of the Council.
- 4.4 Trades Unions and employees have been actively engaged throughout the project. Consultation and communication with the Trade Unions and employees commenced in October 2001. One of the key issues that the Trades Unions wish to see incorporated in the contract is the inclusion of "superTUPE" provisions. This would be designed to protect the terms and conditions of staff for the lifetime of the contract. It would also require the appointment of new staff on the same terms and conditions as transferring staff, to prevent the creation of a two-tier workforce. The potential number of transferring Council and Northumbria Police employees is 18 and 10 respectively.
- 4.5 Trades Unions, in consultation with their members, have been invited to make comments regarding each suitable tenderers bid. A copy of their written comments is appended to this report. Commentary on Union representations will be provided in the form of a supplementary document that will be issued prior to the Cabinet meeting.

#### **5.0 TENDER PROCESS**

- 5.1 Tender documents were prepared and subsequently issued to the six selected contractors. Contractors were asked to provide tenders on both a TUPE and "superTUPE" basis.

- 5.2 In relation to the returned tenders only four contractors returned bids based on TUPE only, and five contractors returned bids based on “super TUPE”. The submissions were assessed on the basis of quality (40%) and price (60%). It is intended that the contract be awarded to the tenderer submitting the most economically advantageous offer assessed on the basis of quality, execution and price proposals in accordance with the evaluation procedures identified. A tender assessment model was produced in order to compare each tenderer’s submission. This model was lodged with the Corporate Head of Finance in advance of the tender process. The sum resulting from the model is illustrative, for comparative purposes and does not represent the annual cost of the service.
- 5.3 The successful Contractor would be required to enter into an admission agreement under the Local Government Pension Scheme Regulations or provide an occupational pension scheme that provides benefits which are broadly comparable to those provided under the Local Government Pension Scheme. The Council could reject a tender which it considers does not provide a broadly comparable pension or otherwise compensates employees.
- 5.4 Summary of Tender Assessment Model

Contractor	TUPE	“superTUPE”
Tenderer 1	£1,473,607*	£1,473,607*
Tenderer 2	£799,651**	£1,274,855*
Tenderer 3	£881,435	£958,801
Tenderer 4	£2,256,536	£2,412,104
Tenderer 5	No bid	£1,698,533*
Tenderer 6	No bid	No bid

\* Tender is not compliant in relation to pension criteria

\*\* Tender is not compliant as it is submitted on a non-TUPE basis

- 5.5 With regard to the submission of TUPE only bids, tenderer 2 is shown as the lowest bid, however, the rates quoted were priced on a non-TUPE basis. Tenderer 2 has not demonstrated that this is a contracting out situation in which there are exceptional circumstances such that TUPE does not apply and this bid is therefore non-compliant. Of the two bids that complied fully with the conditions of the contract only tenderers 3 and 4 were considered as suitable Contractors. This is also the case with regard to the “superTUPE” bids. The quality aspect of the submissions from both suitable Contractors were considered and rated accordingly. Tenderer 3 scored 78.5 marks out of a possible 100 for quality whereas tenderer 4 scored 75. Further, as shown in the summary of the tender evaluation table, tenderer 3 is the lowest tenderer by some considerable margin in both the TUPE and “superTUPE” categories and therefore the most economically advantageous and it is considered appropriate to award the contract to tenderer 3. The implications of “superTupe” is that the contract would be increased by approximately £80,000 per annum to be funded by the Council.

## **6.0 NEXT STAGES OF DPE PROCESS**

- 6.1 The statutory Order will be made that will decriminalise on street offences and allow enforcement by the local traffic authority as from 3 February 2003.
- 6.2 There will be a comprehensive publicity programme including local press and media, distribution of leaflets, articles in City News and City Talk, and public exhibitions in Houghton-le-Spring, Washington and Sunderland city centre. In addition, the Council's website is to include information about the scheme introduction and operation. Also, boundary signs will be erected on each main road leading into Sunderland informing motorists that parking enforcement will be under local authority control as from 3<sup>rd</sup> February 2003. The principal objective of this publicity exercise will be to advise and prepare motorists for the forthcoming changes.
- 6.3 Consultation and communication with employees and Trade Unions will, of course, continue throughout the process.

## **7.0 NATIONAL PARKING ADJUDICATION SERVICE**

- 7.1 The Council must participate in an independent appeals mechanism known as National Parking Adjudication Service (NPAS) which is based in Manchester. An application to join the NPAS has already been made. The Adjudication Service functions as a Section 101 Committee within the terms of the Local Government Act, 1972, and as such an elected Member, to formally represent the Council at the biannually Joint Committee meetings, is required. The Committees are normally held in January and September with other ad-hoc meetings as and when necessary. It is also proposed that a substitute Member is also identified.

## **8.0 EVALUATION OF BUSINESS CASE**

- 8.1 The business case that was prepared and submitted to the Cabinet meeting on the 14<sup>th</sup> November 2001 has been revisited in the light of the tenders submitted. Using the tendered rates in Tenderer 3 document, it has been confirmed that the business case is still valid and is financially viable.

## **9.0 ALTERNATIVE OPTIONS**

- 9.1 The options were set out in the business case that was considered as part of the approval process which was obtained in order to proceed to this point in the DPE implementation. The alternative is not to appoint any of the tenderers and for the status quo to remain in terms of the enforcement responsibilities being split between the Council and Northumbria Police. However, this option is unrealistic as the Order that transfers responsibility of on street enforcement from the Police to the Council is currently being processed through Parliament.

## **10.0 HUMAN RIGHTS IMPLICATIONS**

- 10.1 The effect that the proposals for the introduction of Decriminalised Parking Enforcement may have on individuals' human rights has been considered. In general, it is considered that any inconvenience that may result from the introduction of DPE would be outweighed by reduced vehicle congestion in the city centre and other local retailing centres resulting in improved traffic flow and increased road safety.

## **BACKGROUND PAPERS**

Report to Cabinet dated 14 November 2001