

Report of : Parking Manager

Report to Director of Environments & Housing

Date: 16 March 2015

Subject: Waiver of Contract Procedure Rules in respect of the purchase of a support contract for bus lane enforcement software

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The current contract for Bus Lane Enforcement software runs out in April 2015.
2. The parking service is currently carrying out a tender for a complete software support package, including bus lane software. The tender decision will not take place before the current contract expires.
3. It is proposed to extend the contract with the existing supplier for 3 months to ensure continuity of service until the new package can be procured.

Recommendations

4. The Director of Environment and Neighbourhoods is requested to authorise the waiver of Contracts Procedure Rules in respect of the purchase of a support contract for Bus Lane Enforcement from Videalert.

1 Purpose of this report

- 1.1 This report is to gain authorisation for the purchase of a support contract for Bus lane enforcement software from Videalert.

2 Background information

- 2.1 At the moment the Parking service administers the issuing of bus lane enforcement (BLE) notices through specialist software supplied by Videalert. This software produces video clips of bus lane offences. These clips are then processed via an enforcement database provided by Imperial Civil Enforcement Solutions (ICES). The enforcement database also administers parking penalties issued by Civil Enforcement Officers. Both penalties follow the same legal path and there are significant operational advantages in administering them together.
- 2.2 Parking penalties are issued by handheld computer and the data is downloaded to the enforcement database each evening. The service have been advised that the current handhelds are incompatible with Windows 7 which is the Council's new operating system. Therefore new handhelds are needed. In turn, ICES have notified that any new handheld will require a new version of the enforcement database. Therefore the entire IT system for parking enforcement needs to be replaced.
- 2.3 A tender has been published and the submissions are currently being evaluated. Originally the procurement plan envisaged the award of the contract in November 2014, well before the expiry of the existing contract in April 2015. However the initial tender process was unsuccessful and on legal advice it was necessary to carry out a new procurement. This means that Council will not be in a position to award the contract before the current contract runs out in April 2015.
- 2.4 The current contract with Videalert runs out in April. They have quoted for an extension at the same price per site as we are currently paying. Market testing indicates that no other supplier would be able to match this price because of the high set up costs. For example, the set up cost for one site is about £20,000 with an annual cost of £3000.
- 2.5 As the current contract runs out in April the Council will be unable to continue with BLE past this date unless arrangements to extend the contract are made.

3 Main issues

Reason for Contracts Procedure Rules Waiver / Invocation

- 3.1 The parking service is operating with old enforcement hardware that is incompatible with the Council's IT network. This means that it is necessary to procure a complete Parking Management System. Purchasing BLE software as part of this procurement has been done in order to save on the legal and administrative costs off carrying out 2 separate procurement exercises.
- 3.3 The full year cost in 2015/16 will be £111,992. The company have agreed to extend the contract for a 3 month period at a quarter of the cost ie £27998. The items

comprising the total are listed below. Some items of hardware will be under warranty for part of the year which is why the period is less than 12 months.

		Units	Initial Fee	Months left	Maint	Total Costs
Re-Deployable	Software	5	13,500	12	13,500	13,500
Re-Deployable	Hardware	5	5,300	12	5,300	5,300
Fixed	Software	5	15,000	12	15,000	15,000
Fixed	Software	2	15,000	12	6,000	6,000
Fixed	Software	2	15,000	12	6,000	6,000
	VCA Update	1	10,000	12	10,000	10,000
Re-Deployable	Software	7	13,500	12	18,900	18,900
Re-Deployable	Hardware	9	5,300	12	9,540	9,540
Re-Deployable	Software	1	13,500	12	2,700	2,700
Re-Deployable	Hardware	1	5,300	12	1,060	1,060
Re-Deployable	Hardware	2	8,000	4	1,067	1,067
Re-Deployable	Software	1	13,500	12	2,700	2,700
Re-Deployable	Hardware	1	5,300	3	265	265
Re-Deployable	Software	1	13,500	12	2,700	2,700
Re-Deployable	Hardware	6	5,300	2	1,060	1,060
Re-Deployable	Software	6	13,500	12	16,200	16,200
						111,992

4 Consequences if the proposed action is not approved

- 4.1 If a new arrangement is not made the Council will be unable to continue with BLE after 31st March 2015.

Advertising

- 4.3 No advertising has been undertaken.

5 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1 No consultation has been carried out.

5.2 Equality and Diversity / Cohesion and Integration

5.2.1 No issues have been identified.

5.3 Council Policies and City Priorities

5.3.1 No issues have been identified.

5.4 Resources and Value for Money

5.4.1 The administration of BLE is expected to generate £1.1m in the financial year 2015/15 so the whole sum would be lost if it was not possible to issue tickets.

5.5 Legal Implications, Access to Information and Call In

5.5.1 The Chief Procurement Officer has advised that it would be lawful for the Council to waive Contracts Procedure Rule No 8 - Intermediate Value Procurements (Quotations) in these circumstances, provided that the Director of Environment and Neighbourhoods is satisfied that there are compelling reasons to do so.

5.6 Risk Management

5.6.1 The operation of the BLE system is monitored as part of the usual management arrangements in parking services. No additional risks have been identified.

6 Conclusions

6.1 The purchase of a contract for bus lane enforcement software represents best value for the Council and allows the continued delivery of bus lane enforcement.

7 Recommendations

7.1 The Director of Environment and Neighbourhoods is recommended to approve the waiver of the following Contracts Procedure Rule:

Contracts Procedure Rule No 8 - Intermediate Value Procurements (Quotations)

and to authorise the purchase of a support contract for Bus Lane Enforcement from Videalert.

8 Background documents

8.1 There are no background documents for this report.