

Report of : Processing and Systems Manager

Report to : Director of Environment and Housing

Date: 30th June 2016

Subject: Award of Contracts for Debt Recovery of unpaid Penalty Charge Notices

Are specific electoral Wards affected?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-In?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If relevant, Access to Information Procedure Rule number:		
Appendix number: 10.4(3)		
Appendix 1 to this report has been marked as exempt under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council. The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In this case the report author considers that it is in the public interest to maintain the exemption.		

Summary of main issues

1. After a procurement exercise the Council have selected 2 companies to undertake the collection of unpaid Parking and Bus Lane Penalty Charge Notices (PCN) issued under Traffic Management Act 2004 and Transport Act 2000.
2. There are no costs to the Council as the companies recover their costs from the debtor

Recommendations

The Director of Environment and Housing is requested to authorise the award of contracts for the collection of unpaid parking and bus lane PCN's to Equita and Marston Group Ltd. .

1.0 Purpose of the Report

1.1 The purpose of the report is to recommend the award of contracts for the collection of unpaid parking and bus lane PCN's to Equita and Marston Group Ltd.. The contracts will be issued as framework contracts so the Council is not obliged to use either company if not satisfied. Choosing two companies introduces a competitive element and allows work to be given to the other company in the event of poor performance. The contract term will be 3 years with an option to extend for 1 year.

1.1 Background Information

1.2 Under the Traffic Management Act 2004, an unpaid PCN follows various stages of recovery until it reaches Charge Certificate stage. At this point all appeal rights have expired. The Council then registers the PCN as a debt with the Traffic Enforcement Centre (TEC) (a county court based in Northampton that deals with all court registrations for PCN's in England and Wales) and the court authorises a warrant to be issued to a company that employs Enforcement Agents. The legislation only allows one method of enforcing the warrant which is through certificated Enforcement Agents (EA)). The Council receives the full value of each recovered PCN as the EA's add their fees and costs to the debt.

1.3 The fees that the EA can charge for each stage of recovery are set in law. The legislation pertaining to fees charged by companies employing EA's was changed with the introduction on 6th April 2014 of the Taking Control of Goods (fees) Regulations 2014. This piece of legislation provided a new fee structure that simplified the fees that could be charged across many debt types and removed any additional or variable costs that different companies could charge. Basically each company's EA's now have to charge the same fees.

1.4 If the Council does not undertake this work, about £500,000 a year will not be recovered. This would increase as many people who are now prepared to pay a PCN to avoid additional charges, would not pay if they discovered that cases were not sent to an EA. In addition, the whole scheme of Parking Enforcement is undermined if the Council does not seek to recover any outstanding PCN's.

2.0 Overall Process

2.1 Invitation to Submit tender

2.1.1 Invitations to submit tender documents were issued to the market on 18th April 2016 with a submission date of 11th May 2016. By the return date the Council had received 11 bids in total.

2.2 Evaluation

2.2.1 The evaluation team consisted of:

Mark Jefford	Parking Manager
Steve Milligan	Parking Processing & Systems Manager

- 2.2.2 Tenders were evaluated on the basis of pre-agreed evaluation criteria which were stated within the tender documents. The evaluation was based on quality alone.. As there is no cost to the Council and each company by law has to charge the same fees, it was adjudged there could be no price element attached to the tender. Therefore 100% of the available marks were given for the quality element.
- 2.2.3 Prior to qualitative evaluation, a pass/fail exercise was carried out ensuring that minimum requirements included in the tender documents. Areas evaluated included financial information, mandatory exclusion and health and safety.
- 2.2.4 For the quality evaluation, bidders were required to submit a method statement covering their recovery processes, plus evidence of experience of similar contracts, call centre arrangements and other operational matters.
- 2.2.5 A summary of scores for each bidder is given at appendix 1.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 A tender exercise is an internal procedure and no consultation has been carried out. For the purpose of this report no other consultation was required.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality, diversity cohesion and integration screening exercise has been carried out. This has affirmed that equality, diversity, cohesion and integration considerations have been effectively considered in relation to this proposal and that a full impact assessment was not required.

No issues have been identified and an independent impact assessment is not required for the approvals requested..

4.3 Council policies and City Priorities

- 4.3.1 There are no implications for either Council policies or City priorities.

4.4 Resources and value for money

- 4.4.1 The proposal will not incur any additional costs for the Council.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no implications. The procurement exercise has been carried out in accordance with procurement guidance. The decision is classified as Executive decision (other) and is therefore not subject to call in.

4.6 Risk Management

- 4.6.1 The risk that one company will not perform is mitigated by the fact that 2 companies are to be appointed. No other risks have been identified.

5. Recommendations

- 5.1 The Director of Environment and Housing is requested to authorise the award of contracts for the debt recovery of unpaid parking and bus lane Penalty Charge Notices to Equita and Marston Group Ltd.

6. Background documents¹

- 6.1 EIA Screening Documents

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.