

Report of Sustainable Energy and Air Quality Team

Report to Chief Officer of Highways and Transportation

Date: 16th November 2018

Subject: Leeds Clean Air Zone Camera Network and Reporting Systems – Contract Award Report (Contract Ref: DN360668).

Are specific electoral wards affected? If relevant, name(s) of ward(s): All	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input 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: 10.4.(3) Appendix number: Appendix 1	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. Leeds City Council are under instruction to formulate a plan to achieve compliance with air quality standards in the shortest possible timescales. Following an extensive public consultation process, proposals for implementing a charging CAZ were approved at the council's Executive Board in October 2018.
2. A competitive procurement to appoint an organisation to design, build, operate and maintain an ANPR camera network to enforce the council's Clean Air Zone (CAZ) has been concluded.
3. Once awarded, the outcome will be the award of a D&B contract to install the camera network prior to the commencement of the CAZ go-live on the 6th January 2020. A 3 year O&M contract will commence on completion of the construction of the network, which will include the option to be extended through 7 separate 1 year extensions.
4. Following the receipt of bid submissions on the 17th October the evaluation has been completed on a price quality basis, and the evaluation panel recommend that Siemens Mobility Ltd be the organisation that are awarded the contract, based on delivering the best overall option for the Council as determined by the evaluation criteria.

Recommendations

5. The Chief Officer of Highways and Transportation is asked to:

- note the content of this report, and
- approve the award of the contract to Siemens Mobility Ltd for the Leeds Clean Air Zone camera network and reporting systems.

1 Purpose of this report

- 1.1 Contract Procedure Rule 18.6 requires that a decision to award is made by the relevant Officer through the delegated decision process. The delegated decision should outline why any tenders were disqualified and reasoning for the selection of the contractors.
- 1.2 This report advises the Chief Officer of Highways and Transportation of the organisation recommended for the award of the Leeds Clean Air Zone Camera Network and Reporting Systems contract and sets out the process to be undertaken for awarding the contract.

2 Background information

- 2.1 In December 2015 DEFRA published their updated air quality action plan that modelled Leeds to not be compliant with nitrogen dioxide levels by 2020, in line with EU air quality targets. As a result, Leeds City Council was instructed to formulate a Clean Air Zone to be implemented in the shortest possible timescales.
- 2.2 Following an extensive public consultation process, proposals for implementing a charging CAZ were approved at the council's Executive Board in June 2018. A Class B Clean Air Zone was proposed, effectively introducing a charge for any buses, coaches, HGVs and taxi and private hire vehicles that operate within the CAZ boundary, and which do not meet pre-determined emission standards.
- 2.3 The conclusion of the procurement will enable the Council to award a contract for the design, build, operation, and maintenance of an ANPR camera network and associated software. This will enable the Council to enforce the CAZ by providing the necessary infrastructure to capture non-compliant vehicles and provide a disincentive to these vehicles entering Leeds.
- 2.4 A competitive procurement exercise has been undertaken using the existing Crown Commercial Service framework agreement – 'Traffic Management Technology 2'. The framework agreement is fully mandated for use across central government and is also available to all wider public sector organisation.
- 2.5 The procurement has been undertaken by calling off against Lot 2 of the framework – 'Traffic Monitoring and Enforcement Cameras', enabling access to pre-approved suppliers. The Council's tender was published on the [22nd] August 2018 to the 28 organisations on the CCS framework. Tenders were returned on the 17th October 2018.
- 2.6 The evaluation of tenders was carried out in accordance with the instructions detailed within the Invitation to Tender document that was published as part of the suite of tender documents.
- 2.7 This report sets out the basis on which the contract is to be awarded.

3 Main consideration and reasons for contract award

- 3.1 The evaluation was carried out on a consensus basis with the evaluation panel reaching an agreed score for each aspect of the evaluation criteria at a meeting following independent review.
- 3.2 Scoring was conducted on a 0-10 basis with bidders being required to achieve a minimum score threshold of 50% of the overall quality points available. If bidders did not meet this minimum overall quality threshold they they were automatically eliminated from the evaluation process and not considered for the contract.
- 3.3 The quality element of the evaluation considered the criteria and sub-criteria included with the ITT documentation and that was approved by the Chief Officer Highways and Transportation prior to the ITT being published.
- 3.4 The quality evaluation undertaken by officers from the following departments:
- Sustainable Energy and Air Quality,
 - Highways and Transportation,
 - DIS Strategy and Solutions, and
 - Employment and Skills.
- 3.5 External technical support was provided during the evaluation by Trevor Ellis Consulting Ltd. Trevor Ellis has 15 years of specialist consultancy experience working on road user charging systems, traffic detection systems, traffic management systems, and enforcement systems.
- 3.6 Having undertaken the evaluation of the tender submission it was concluded by the evaluation team that Siemens Mobility Ltd had been successful in the procurement, having submitted a high quality and compliant bid and should be awarded the contract.
- 3.7 Details regarding the evaluation scores awarded along with the results of the price evaluation is set out in confidential Appendix 1.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 No consultation has taken place with key stakeholder as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tender received. However, consultation with key stakeholders was undertaken when the particular procurement route was chosen.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An equality impact assessment for the council's Air Quality Proposal was carried out as part of the submission to Executive Board In June 2018. This was updated as part of the report submitted to Executive Board in October 2018.

4.3 Council policies and best council plan

4.3.1 The contract being awarded allows the council to deliver an enforceable CAZ to improve the air quality within the city. The importance of air quality as an issue is reflected in the Council's vision under our Best Council Plan. Our vision is for Leeds to be a healthy city in which to live, work and visit and we are working with partners to reduce emissions which will bring about health and wellbeing benefits including reducing premature deaths, improving health, promoting physical activity and reducing obesity levels. We are raising general health and environmental standards across the city through the promotion of walking and cycling. The Leeds Public Transport Improvement Programme is working to make improvements to the bus and rail networks which will enable reductions in congestion and greater modal shift, supporting a reduction in emissions.

4.4 Resources and value for money

4.4.1 The council's budgeted position for the implementation of the CAZ ANPR camera system was agreed as £6.8m exc. contingency. The overall cost of the preferred bidders proposal is significantly lower than this budgeted position and therefore represents value for money.

4.4.2 The procurement and the contract being awarded, provides cost certainty for the delivery of the scheme. The capital costs for the delivery of the camera network will be provided by central government. As such these costs will be submitted as part of the FBC to the Joint Air Quality Unit (JAQU) – a joint team of the department within Department for Transport (DfT) and Department for Environment, Food & Rural Affairs (DEFRA).

4.4.3 The funding for the operation of the camera network derives from the revenue generated through the enforcement of the CAZ. The cost of the O&M element of the preferred bidders proposal is within the council's agreed budgeted position of £800,000 per annum, and as such is considered value for money.

4.5 Legal Implications, access to information and call in

4.5.1 Legal officers from PPPU have been consulted throughout the procurement exercise and as such all legislative requirements surrounding EU Public Procurements have been adhered to. The contract was advertised in the official Journal of the European Union (OJEU) as is required of a contract of this value so we can evidence that an open and transparent process has been followed.

4.5.2 The award of the contract is subject to the conclusion of the standstill period.

4.5.3 The contract will be awarded subject to the receipt of the funding requested as part of the FBC submitted to JAQU.

4.5.4 The decision is a Significant Operation Decision and as such is not subject to call-in.

4.5.5 Note that by virtue of Access to Information Rules 10.4.(3) Appendix 1 attached to this report is restricted as confidential. This is 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.

- 4.5.6 It is considered that the public interest in maintaining this information as exempt outweighs the public interest in disclosing the information, as disclosure may prejudice the outcome of the procurement process, whilst the details of the tender proposals within the appendices also contain the financial details/business affairs of individual companies.

4.6 Risk management

- 4.6.1 The procurement has been undertaken in line with the regulations set out in the Public Procurement Regulations 2015 and the council's own CPRs.
- 4.6.2 The procurement was carried out in line with the instructions that were published in the Invitation to Participate.
- 4.6.3 The evaluation team scored the quality submissions using a consensus scoring approach to reach a final conclusion on scores and records have been created and saved on file electronically. In line with the new procurement process, notes from each member of the evaluation team have been saved, together with justification for any amendments to initial scores.

5 Conclusions

- 5.1 The evaluation of the Leeds Clean Air Zone Camera Network and Reporting Systems Contract has been concluded and this has resulted in Siemens Mobility UK Ltd as being compliant and of a high quality. As such a contract should be awarded to Siemens.

6 Recommendations

- 6.1 The Chief Officer of Highways and Transportation is asked to:
- note the content of this report, and
 - approve the award of the contract to Siemens Mobility Ltd for the Leeds Clean Air Zone camera network and reporting systems.

7 Background documents¹

- 7.1 None

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.