

Item No.	Classification: Open	Date: 18 August 2022	Decision maker: Strategic Director of Finance and Governance
Report title:		Gateway 3 – Variation Decision – Parking and traffic enforcement and associated services contract	
Ward(s) or groups affected:		All	
From:		Director of Environment	

RECOMMENDATION

1. The Strategic Director of Finance and Governance notes the contents of this report and approves a variation of the existing contract with APCOA for parking enforcement and associated services as outlined in paragraphs 6 to 8 in the sum of £1,307,383 to enable the purchase of additional automatic number plate recognition (ANPR) safety cameras for school streets, bus stop enforcement and traffic enforcement at banned turns, no entry points and bus lanes from 15 August 2022 to 31 May 2024.

BACKGROUND INFORMATION

2. The current parking enforcement and associated services contract commenced on 01 June 2020 for a period of four years (with two three year extensions) following a Gateway 2 approved by Cabinet in January 2020.
3. Parking services currently have 48 Yunex (formerly Siemens) lane watch cameras, 10 Yunex school keep clear enforcement camera and three TES cameras deployed across the borough for use by APCOA as part of its contract with the council. Both Yunex and TES are major suppliers of these cameras. As locations become compliant, the cameras are moved to new locations.
4. The parking and traffic enforcement team have identified more than 17 further traffic enforcement locations for enforcement. In addition the Transport Projects team has identified 46 sites where they are going to put in place school streets which will require additional cameras to enforce the periods when the school streets are in force. For specific locations see Appendix 1. The procurement of all (63) cameras is covered in this report.
5. This procurement delivers against the council delivery plan target to reduce air pollution from vehicles.

KEY ISSUES FOR CONSIDERATION

Key Aspects of Proposed Variation

6. To add a further 54 Automated Number Plate recognition cameras at a cost of £1,019,974, and 1 years worth of maintenance costs of £196,250 per

annum a total expense of £1,216,224. There will only be one year of maintenance costs as the time required to fabricate, install and set-up the cameras will mean that the cameras are likely to go live in April 2023.

7. The current contract value is currently £14.92m (if extensions are not used), and the value of this variation is £1,307,383 or 9% of the existing projected contract value. Although the cameras will be bought and operated by APCOA, they will remain the council's property and will revert to the council at the end of the contract period and be used beyond that date in the new service/contract.

Reasons for Variation

8. Expansion of the number of schools with automated CCTV camera enforcement of the school streets, plus adding additional bus lanes and further banned manoeuvres enforcement.

Future Proposals for this Service

9. The council is in Year 2 of a four-year contract which has two extensions available of three years each.

Alternative Options Considered

10. Four options were considered for the procurement of the additional cameras:
 - Using an existing framework
 - Tendering direct to camera suppliers
 - Variation of the APCOA contract
 - Do nothing
11. The options appraisal undertaken was based on the need to utilise one of the two existing suppliers of cameras, Yunex or TES because:
 - The cost of putting in place a third interface allowing other suppliers of cameras to be used with our existing back office software has been discussed and the cost is prohibitive
 - There is no alternative than using Yunex to rebuild their 9 cameras

Framework

12. Using an existing framework agreements was considered to purchase CCTV equipment, the outcome of investigating this option was:
 - The only framework agreement Yunex is included in is a Transport Technology and Associated Services a CCS framework agreement
 - The rates within the framework are higher than that quoted by APCOA
 - TES cameras are not available through an existing framework agreement

Direct supply and services

13. Benchmarking was undertaken with both Yunex and TES for the 54 new cameras:

Variation of APCOA contract

14. As part of our due diligence, we requested APCOA approach both TES and Yunex to quote for these additional cameras, APCOA/Yunex was £66,453 cheaper over the remaining contract period. This price includes APCOA's project cost.

Identified risks for the Variation

15. Maintenance - the CCTV solution selected is manufactured by Yunex who are owned by Siemens; our oldest cameras supplied by Siemens are now more than seven years old and continue to be reliable. The council currently have more than 50 of their cameras. The council and APCOA meet weekly to discuss camera maintenance and project actions.
16. IT - there are no identified IT risks in regards to this variation.
17. Project management capacity – APCOA will be tasked with identifying a work programme clearly outlining resources required for each stage of the project along with associated timelines for delivery, which will be monitored through regular contract management meetings.
18. Financial – there could be inflationary pressures risks associated with this procurement
19. Procurement – there is a risk of challenge but it is believed that this procurement falls within allowable variations of the contract.

Policy framework implications

Air Quality

20. This variation will support the air quality strategy and plan through enforcement against vehicles stopping outside of schools

Movement Plan

21. The council's Movement Plan is the principal policy document that sets out our approach to transport. It contains a number of high level missions pertinent to the implementation of traffic enforcement:
 - Mission 2 - For movement to benefit mental wellbeing
Action 1: Reduce noise pollution
 - Mission 3 - For movement to benefit physical wellbeing
Action 4: Deliver infrastructure to support active travel
Action 5: Enable people to get active

Action 6: Enable people to stay active

- Mission 4 – Reduce traffic
Action 9: Manage traffic to reduce the demand on our streets
- Mission 5 – Streets as social places
Action 10: Create places that encourage a sense of belonging
Action 11: Introduce time restricted street closures and reallocate space for people
- Mission 7 - All people to have a positive experience on our streets
Action 15: Reduce exposure to air pollution
Action 16: Zero people killed or injured on our streets by 2041
Action 17: Improve safety and sense of safety on our streets

Community, equalities (including socio-economic) and health impacts

Community impact statement

22. Air quality - the additional safety cameras can only help to assist in the safety of the residents and young people of Southwark by contributing to reduced delays to buses and reduced vehicle emissions outside schools.
23. Movement Plan – will assist in the delivery of a variety of the themes in the Movement Plan as highlighted above including helping to reduce noise pollution, traffic and encouraging active travel.
24. Climate Change Strategy – contributing to the delivery of a low traffic Southwark.

Equalities (including socio-economic) impact statement

25. These cameras will be operated under the parking enforcement protocol that supports the council's equalities and human rights policies and promotes social inclusion by providing a written policy that explains the processes in which the Parking Service operates for all motorists to follow.
26. The protocols also provide specific exemptions including that for disabled blue badge holders.
27. This procurement is not considered to have any significant adverse effect on socio-economic equalities.

Health impact statement

28. The installation of cameras on school streets supports public health objectives in a number of important ways including: reduced risk of road traffic accidents, reduced exposure to poor air quality due to car emissions, promotion of active travel, and healthier environments that support children from all backgrounds.

29. Improving air quality, safety and physical activity are key priorities for children's health and wellbeing and could impact health and wellbeing significantly.

Climate implications

30. The introduction of these cameras support the aims of the Council's Climate Change Strategy under Priority 2 – Active and Sustainable Travel. Key aims of the Council's Climate Change Strategy include to 'reduce car journeys to a minimum by 2030' and to 'be a borough where the walking and cycling becomes the default way to get around'. Part of meeting the borough's ambition of net zero emissions by 2030 includes a reduction in vehicle kilometres travelled and a shift to active and public transport; road transport currently accounts for 15% of the borough's emissions. These measures strongly support that ambition by creating an area where walking and cycling are prioritised and motor vehicle usage is discouraged.
31. A just and inclusive transition is at the heart of the Council's emerging climate policy. These proposals prioritise the movement of people first and foremost, while retaining vehicle access for those who require it. In delivering a safer and more equitable highway network, the measures are in accordance with the Council's approach to addressing the climate emergency.

Resource implications

32. The funding for the 46 School streets capital programme was approved by Cabinet in 2019-20 (Virtual Cabinet meeting 7 April, 2020 Policy and Resources Strategy: capital monitoring report, including capital programme update 2019-20).
33. Eight new cameras and nine rebuilds will be funded from Parking surpluses as laid out in Section 55 of the Road Traffic Regulation Act 1984.
34. Ongoing maintenance costs of the cameras will be contained within existing revenue budgets of the Parking Services Account.
35. The overriding objectives of the expansion of CCTV enforcement scheme include the need to increase opportunities for people to move safely around the borough without the need to rely on the use of motor vehicles. In addition, the scheme aims to reduce the adverse environmental impact arising from the use of motor vehicles. The expansion could potentially result in generating additional income from contraventions, however, this is unlikely to be sustained as levels of compliance are known to significantly improve with the presence of CCTV cameras.
36. The financial impact of the expansion will be monitored on a regular basis as part of the departmental revenue monitoring process. Any additional income received will be reinvested in locally important schemes including highways, transport, school streets, cycle hangars, healthy streets and with the aim of tackling the climate emergency. The use of the net income is governed by Section 55 of the Road Traffic Regulation Act, 1984.

Consultation

37. The Cabinet Member for Parks, Streets and Clean Air has been consulted on this proposed procurement and in particular, how it delivers against the associated council delivery plan targets.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

38. This report seeks approval from the Strategic Director of Finance and Governance to vary the contract with APCOA Parking UK Ltd for parking enforcement and associated services, for a sum of £1,307,383 to enable the purchase of additional automatic number plate recognition (ANPR) safety cameras for school streets, bus stop enforcement and traffic enforcement at banned turns, no entry points and bus lanes.
39. The Strategic Director of Finance and Governance notes that the reason for the variation is detailed in paragraph 8, the risks are detailed in paragraphs 15 to 19, management and monitoring of the contract are detailed in paragraph 17.

Director of Law and Governance

40. This report seeks approval of a variation of an existing contract with APCOA Parking UK Ltd for parking enforcement and associated services to enable the purchase of additional automatic number plate recognition (ANPR) safety cameras for school streets, bus stop enforcement and traffic enforcement at banned turns, no entry points and bus lanes.
41. The estimated value of the proposed contract extension is above the advertising threshold for “light touch” services and supplies of this nature as defined in the Public Contracts Regulations 2015 (PCR). This means that a fresh procurement exercise is required unless it is possible to satisfy one or more of certain limited permitted grounds for “modification” under the PCR.
42. Regulation 72 (1) (c) permits modifications in cases where all of the following conditions are fulfilled:-
 - the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;
 - the modification does not alter the overall nature of the contract;
 - any increase in price does not exceed 50% of the value of the original contract.

Where this ground is relied upon the council must also publish a modification notice on the UK Find-a-Tender service.

43. Paragraph 4 advises that officers have identified further locations for additional cameras which are required for the purpose of enabling the council to fulfil its statutory duties and powers in relation to traffic enforcement. The proposed variation of this contract is consistent with other domestic legislation and with the council's Contract Standing Orders, which reserve the decision to approve the recommendations in this report to the Strategic Director of Finance and Governance, following consideration of the report by the Corporate Contracts Review Board.

Strategic Director of Finance and Governance (EL22/030)

44. The strategic director of finance and governance notes the recommendation in this report for the approval of a variation of the existing contract with APCOA for parking enforcement and associated services. Full details are contained within the main body of the report.
45. The current parking enforcement and associated services contract commenced on 01 June 2020 for a period of four years (with two 3 year extensions) following a Gateway 2 approved by Cabinet in January 2020. The report indicates the positive impact this variation will have on the Council's air quality strategy and movement plan. The variation is also expected to improve efficiency and service delivery.
46. The strategic director also notes the financial implications.
47. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

FOR DELEGATED APPROVAL

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council's constitution, I authorise action in accordance with the recommendation(s) contained in the above report (and as otherwise recorded in Part B below).

Signature



Date. 5 August 2022.....

Designation Strategic Director of Finance and Governance

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers (including contract reports)
- 2) Any non-key decisions which are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available (see paragraph 41 of the guidance).

1. DECISION(S)
As set out in the recommendations of the report.

2. REASONS FOR DECISION
As set out in the report.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION
As set out in the report.

4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION (IF APPLICABLE)*
None

*Contract standing order 4.5.1 states that for contracts with an Estimated Contract Value of over £100,000, the lead contract officer (LCO) must consult with the relevant cabinet member before a procurement strategy is implemented.

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST
<i>If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.</i>
N/A

6. DECLARATION ON CONFLICTS OF INTERESTS
I declare that I was informed of no conflicts of interests.*
or
I declare that I was informed of the conflicts of interests set out in Part B4.

7. CONSIDERATION GIVEN TO WHETHER AS A NON-KEY DECISION, THIS DECISION SHOULD BE FORWARDED TO THE CONSTITUTIONAL TEAM FOR PUBLICATION IN ACCORDANCE WITH REGULATION 13(4)*

I consider that the decision be made available for publication under Regulation 13(4).*

or

~~I do not consider that the decision be made available for publication under Regulation 13(4).*~~

* Under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the council is required to put in place a scheme for recording and publishing some officer executive decisions. This process is sometimes referred to as "Regulation 13(4)".

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Gateway 1 - Procurement Strategy Approval: Parking and traffic enforcement and associated services Dated 30 April 2019 Link: https://moderngov.southwark.gov.uk/mqChooseDocPack.aspx?ID=6089	Road Network, parking and markets	David Sole 079 8579 8114
Gateway 2 - Procurement Approval: Parking and traffic enforcement and associated services Dated 21 January 2020 https://moderngov.southwark.gov.uk/mqChooseDocPack.aspx?ID=6418	Road Network, parking and markets	David Sole 07985 79 8114
Air Quality Action Plan https://www.southwark.gov.uk/assets/attach/11189/air-quality-strategy-action-plan-final-version.pdf	Regulatory Services	Bill Leggasick 020 7525 4253
Parking enforcement protocol Decision - Parking enforcement protocol - Southwark Council	Parking Services	David Sole 07985 798114

APPENDICES

No.	Title
Appendix 1	Proposed location for new cameras

AUDIT TRAIL

Lead Officer	Matt Clubb – Director of Environment	
Report Author	John Wade – Head of Service	
Version	Final	
Dated	25 June 2022	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Cabinet Member	N/A	N/A
Date final report sent to Constitutional Team	16 August 2022	