

HOUSING MANAGEMENT CONSULTATIVE COMMITTEE

Agenda Item 16

Brighton & Hove City Council

Subject: Tender of a Contract for the Provision of a Security Wheel Clamping Service within Brighton & Hove

Date of Meeting: 22 July 2008

Report of: Director of Adult Social Care & Housing

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Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 That the Housing Management Consultative Committee are invited to comment on the proposal to request permission to tender for a contract to provide a secure clamping service for Housing Revenue Account (HRA) managed car parking and garage areas let to licence holders. Permission is also sought that other directorates who would benefit from clamping on their land, for example office car parks, could use the service.
- 1.2 Clamping is currently used to protect 25 HRA parking sites as a deterrent to stop other drivers parking illegally. Other departments have also expressed an interest in utilising clamping to protect their own sites, for example Property and Design.

2. RECOMMENDATIONS:

- (1) That the Housing Management Consultative Committee endorse the tendering for a Security Wheel Clamping Service within Brighton & Hove. This will enable these services to commence on 31 January 2009.
- (2) That the comments of the Housing Management consultative Committee are recommended to the Housing Cabinet Member Meeting.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Clamping was introduced as a pilot scheme to HRA managed car parks in 2004 in order to address the continued problems experienced by residents who were renting spaces from the council but were frequently unable to access them due to illegally parked vehicles.

- 3.2 The pilot scheme was initially set up to run for one year. To date 25 housing sites have clamping provision, each one being set up in consultation with local residents associations.
- 3.3 Clamping has proven to be the most cost effective and efficient way of providing secure parking and has enabled the Housing Management division's Car Parks & Garages team to maximise income from many centrally located parking areas by ensuring that those who pay for their spaces are able to access them.
- 3.4 It has become apparent in recent months that there are other areas of the city that would benefit from inclusion in the clamping contract. As this current contract has been running for several years it is the right time to re tender in order to secure a well managed and cost efficient service for the council as a whole.
- 3.5 The existing contract for clamping on HRA land was terminated in November 2007 when the Clamping Contractor (SIG) withdrew services from the Brighton Area. There is an ad-hoc service currently in place which is provided by Guardian. This will be terminated once this contract has been awarded.
- 3.6 The proposed tender evaluation will be split 60/40. This split represents the quality of the service and the charges made to vehicle owners who are clamped, respectively.
- 3.7 The proposed contract will not provide clamping on public highways where parking enforcement is contracted out to NCP. It would instead be used to control parking on council owned sites such as car parking areas attached to offices and HRA land.
- 3.8 The proposed contract period is three years with an option to extend for a further one year at the council's discretion.
- 3.9 All contractors are required to be registered with the Security Industry Authority and operatives applying clamps are required to hold an individual license from under the terms of the Private Security Authority Act 2001.

3.10 The timetable for procurement and implementation of the contract is shown below. The contract would therefore be in place on 31 January 2009.

Task	Duration (days)	Start Date
Place Adverts in relevant journals	1	11/09/08
Receipt of expressions of interest	30	12/09/08
Evaluation of expressions of interest	15	13/10/08
Send out Tender Documentation	1	29/10/08
Receipt of Tenders	31	30/10/08
Evaluate Tenders	15	01/12/08
Award of contract	1	16/12/08
Handover period	45	17/12/08

3.11 This report was considered earlier this year by Housing & City Support DMT, TMT and P & R Chairs. Immediately before P & R Committee on 6 March 2008 a number of questions were raised by Councillors. It was felt prudent to withdraw the report in order to allow time to answers to those questions. Those questions related to:

- Consideration of an in-house clamping team (see Section 6)
- The appeals process (see below)
- The proposed release fee (see below)
- Concerns that the current contractor has been involved in the tender specification and may bid for the contract (see below)

3.12 **Appeals Process**

The current appeals process in the existing contract and in the draft contract specification has been agreed through the Car Parks and Garages Working Group. The group consists of 8 elected tenant and leaseholder representatives across the city.

3.13 In the first instance the complainant is required to appeal directly to the clamping company as they are in a position to investigate the matter. The contractor uses the appeal system as an opportunity to check that their patrol officers are carrying out the immobilisation of vehicles according to agreed policies and procedures and those of the client, in this case Brighton & Hove City Council.

3.14 Under the current arrangements Guardian have an appeals panel made up of four staff members including the Company Director who meet on a weekly basis to discuss any appeals that have been received. This meeting considers appeals across all managed sites and not just those belonging to Brighton & Hove City Council. The evidence from each particular clamping incident is reviewed including timed photographs of the vehicle. These cover the time it was discovered and the time of clamping; their decision is based on this evidence and the circumstances surrounding the incident in question. A letter confirming the outcome is then sent directly to the claimant.

3.15 For Housing Management sites and in instances where the appeal has been turned down the letter from Guardian contains the following paragraph:

If you are unhappy with the outcome of your appeal you can make a formal complaint to Brighton & Hove City Council. The address to write to is Brighton and Hove City Council Standards and Complaints Team FREEPOST SEA2560 BRIGHTON BN1 1ZW or by email to complaints@brighton-hove.gov.uk.

3.16 Once the complaint is received a further investigation is undertaken including requesting copies of all documentation, timings and photographic evidence from the clamping company. Thereafter a decision as to whether the clamp was applied in accordance with the contract and Housing Management's arrangements with the contractors. The decision to clamp will either be upheld or rebuked. If it is rebuked the clamping charge is refunded in full. If the vehicle owner is not happy with the response at this stage they may escalate their complaint to Stage 2 of the corporate complaints procedure and can ultimately request an Ombudsman enquiry.

3.17 On balance it is important that the contractor initially reviews if the clamp was applied correctly and only after that is the independent review carried out by a council officer.

3.18 **The Proposed Release Fee**

The proposed release fee has also been agreed by the Car Parks and Garages Working Group and will initially remain at the current level of £100. There will be scope within the contract to raise the release fee to £125, which is in accordance with recommendations from the British Parking Association.

3.19 **Consultation with Guardian in Drawing up the Contract Specification**

Concerns were expressed that the previous report (Section 4) refers to Guardian being involved in the consultation process. This is perhaps an erroneous statement and apologies are offered for any confusion officers may have caused. Guardian were brought in to provide a clamping service to Housing sites after the original contractors, Security International Group, withdrew from the Brighton area at very short notice in November 2007.

3.20 At that time Housing Management were already considering retendering the contract and had a new draft contract in place. This had been agreed internally and by the Tenant and Leaseholder Car Parks and Garages Working Group. Guardian were asked for their views on the new contract and any operational issues it may have raised. No changes were made to the draft contract specification as a result of this discussion. Guardian have not been involved in the writing of the contract or been consulted in any way other than described.

4. **CONSULTATION**

4.1

Consultation is currently underway with a view to determining:

- A specification with quality criteria which meets stakeholder needs
- Evaluation criteria and weighting for determining the most economically advantageous tender (an appropriate mix of cost and quality)

4.2

Those who have been, or who are, involved in the consultation process include:

- Current contractor
- Similar Local Authorities
- Stakeholders – Car Parks & Garages Working Group (made up of tenants and leaseholder representatives and council staff).

- 43 Other departments who have expressed an interest in joining this contract include Housing Strategy, Adult Social Care and Property and Design. Examples of the sites where clamping would be desirable include the car park attached to offices at 86 Denmark Villas, Hove; New Steine Hostel, Brighton; commercially let car parking spaces in Chapel Street, Brighton.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There will be no direct costs to the council in operating a security wheel clamping service, the contract will be funded by the contractor keeping the revenue generated by the service. There will be some internal staff time required to manage the contract but this will be absorbed within existing staffing resources. This is a 3-year contract with the option to extend for a further 1 year.

The contract will allow the Housing Revenue Account to maximise the income from its car parks, as the service will minimise illegal parking.

Finance Officer Consulted: Monica Brooks, Principal Accountant Date: 31 March 2008

Legal Implications:

- 5.2 Despite the zero value of this contract to the council, it should be tendered in accordance with a contract that is above the EU threshold for services contracts. The procurement strategy and the procurement timetable as set out in the report comply with both the EU procurement legislation and the council's Contract Standing Orders. The council must also take the Human Rights Act 1998 into account in respect of its actions, but it is not considered that any individual's Human Rights would be adversely affected by the recommendations in this report.

Section 21(1) of the Housing Act 1985 empowers council to control parking on HRA land. (Akumah -v- Hackney LBC)

Lawyer consulted: Alison Leitch Date: 25 May 2007

Equalities Implications:

- 5.3 An equalities impact assessment has not been carried out on the current clamping service.

Sustainability Implications:

- 5.4 There are no direct sustainability implications.

Crime & Disorder Implications:

- 5.5 Car parking is often a contentious issue and can lead to disorder when a resident cannot access the space for which they are paying. Clamping will ensure there is a real deterrent to prevent illegal parking, particularly for spaces that are let and managed by Housing Management.

Risk and Opportunity Management Implications:

- 5.6 The Key Risks are: -
- Failure to let the contract
 - Failure to provide the service and protect licence holders spaces
 - Failure to manage this contract effectively leading to complaints
 - Failure to maximise income for housing management in terms of unprotected spaces being unlet.

Corporate / Citywide Implications:

- 5.7 The contract supports the council's need to supply parking for specific workers and service providers through the council as well as in HRA owned car parks. The contract will not be used to protect the public highway.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

6.1 Consideration of an in-house bid

The council does not have an in-house clamping team. This service has always been contracted out to a professional clamping company. Although there has not been full consideration of the legal, practical and financial issues in setting up an in-house unit it is not felt such a team, dealing with council owned car parks, would be the most cost effective way to provide clamping protection where it is required. This is because the clamping contractors are required to provide: a 24-hour service for 365 days of the year; vehicles; towing facilities; signage; vehicle storage facilities; equipment; insurance; fuel; personnel; management support; training. The overheads are likely to be far higher than the income from this single contract. There is then a requirement to attract an existing company that can add B&HCC sites to its current operation and benefit from economies of scale which would not be available to an in-house team.

6.2 To help illustrate this point the basic costs of leasing a van and providing a 24 hour service using scale 4 operatives are shown below. These costs do not include the various other expenses set out above.

Cost of leasing a van	£2,448
Costs for front line personnel	£131,184*

* This includes the council's responsibilities in terms of National Insurance and pension contributions. It also takes account of enhancements set out in the green book, which confirms:

- Time and a third is paid for working between 8.00 pm and 6.00 am
- Time and half is paid for working weekends and bank holidays

6.3 It is estimated that current contract covering Housing Revenue Account sites will generate an income of £64,000 per year. There is some interest from other departments to introduce clamping and there are opportunities to maximise income. It is not known how many new sites would be included if a corporate clamping scheme were introduced or how much income will be generated. From the illustration above it is evident that the income would need to be more than double for an in-house team to break even. There is then an inherent risk that such a team could be a financial burden to both the HRA and the General Fund, at least in the early years when the scheme is expanding.

- 6.4 If the proposals contained in this report are agreed the council may wish to revisit an in-house team towards the end of the contract. This would allow the successful contractor to take on the risks of maximising income to the point where an in-house team could take over and enjoy a profit.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 To continue to protect car parking spaces that are let and managed by the HRA on HRA land
- 7.2 To allow other department to benefit from a clamping service.

SUPPORTING DOCUMENTATION

Appendices:

There are none

Documents In Members' Rooms

- 1.
- 2.

Background Documents

There are none

