

Subject:	Off-Street Car Park and Traffic Control Centre Equipment Replacement Amendment		
Date of Meeting:	18 March 2021		
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Wards Affected:	All Wards		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The report seeks approval for a financial amendment to a previously agreed report.
- 1.2 The report was for the approval to procure a contract for the provision and installation of car park and Traffic Control Centre equipment and associated support systems and maintenance. The original approval was granted at Environment, Transport and Sustainability (ETS) Committee on 8th October 2019.
- 1.3 The current contract ends on 29 November 2021 and the new contract needs to be in place by the end of May 2021 to allow time to replace and install equipment.
- 1.4 The project was delayed due to Covid-19 and in the delay period we have identified two other car parks that may benefit from this equipment within the 5+2 year term for the new contract. We would therefore make potential savings by ensuring the cost of the equipment is fixed for the duration of the contract but this increases the contract value by £400,000, creating a new total of £1.4m.
- 1.5 This report is seeking approval to increase the contract value by £400,000. The approval to award the contract is already granted and does not need to be considered.

2. RECOMMENDATIONS:

- 2.1 That the Executive Director, Economy, Environment & Culture be granted delegated authority to increase the value of the contract by £400,000, giving a new total contract value of £1.4m

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The council has four main car parks – The Lanes, Regency Square, London Road and Trafalgar Street. Each car park has pay (on foot) machines and car park control equipment which was installed over 10 years ago.

- 3.2 Agreement was sought to procure a contract to replace the equipment in these 4 car parks as the equipment is now at end of life and no longer fully supported under the existing maintenance contract.
- 3.3 The Traffic Control Centre has recently been approached to remotely control Chapel Street car park (formerly High Street Car Park) on behalf of housing. The equipment in this car park may benefit from being replaced during the new contract period. This would then become the fifth car park for this procurement of equipment and maintenance.
- 3.4 During the delay of the project due to Covid-19 the Traffic Control Centre has also identified Norton Road car park as being part of an options report; one of which may include installing new equipment. This could therefore be a sixth car park for future procurement of equipment and maintenance.
- 3.5 The cost of the equipment is estimated to be £810,000 for all 6 car parks (£550,000 to replace existing equipment) with a 5+2 years maintenance contract estimated to be £588,000. Therefore, the total contract worth is a potential £1,400,000 over the 7 year period.
- 3.6 An increase to the contract value of £400,000 will save money by fixing the price of the equipment and maintenance costs through economies of scale. If we were to procure the other 2 car parks separately, we would be subject to the prices at that time and pay extra for project fees and officer time retendering.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

The options are as follows:

- 4.1 Do not include the extra car parks and £400,000 addition to the contract value, go out to tender at a later date for 1 or 2 car parks which will increase costs. This option will reduce the appeal to potential bidders, potentially allow for different equipment to be installed at each car park, increase overall cost and increase officer workload in having 3 separate tenders. Due to these reasons, this option is not recommended.
- 4.2 Agree to the increase in the contract value to £1,400,000 as detailed above to ensure that the council can procure the new equipment for all 6 car parks at a fixed price. This option supports the council's policy to improve congestion and reduce vehicle emissions around the city. It will further have more appeal to bidders, potentially increasing competition and ensure that only the same equipment is installed in all the car parks. It will reduce costs and officer time and is therefore the recommended option.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 No community engagement or consultation is required as this report is seeking approval for a financial amendment to a previously agreed report only.

6. CONCLUSION

- 6.1 The financial amendment will enable the council to upgrade car park equipment in two more council car park sites should they decide to do so. ; It will also enable the council to achieve further potential savings through economies of scale. The Council's Corporate Procurement Team support this approach.
- 6.2 In addition, the procurement and award of the new contract will assist the Council:
- in protecting a vital £6.5m per annum income;
 - in achieving potential savings by securing fixed equipment/maintenance prices.
 - to be able to accept the new £20 note at its pay machines;
 - in fulfilling its duties under the Traffic Management Act; and
 - in meeting its commitment to keeping the city moving and connected.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The four major car parks benefiting from the new equipment and maintenance contract generate net revenue income for the of over £4 million a year (in a normal year of operation).
- 7.2 The estimated car park/traffic control centre equipment contract capital investment and revenue spending of up to £1.4 million is service critical. The contract annual maintenance costs are estimated at c£0.070m per annum (a total of £0.500m over the 7-year contract) will be covered by existing maintenance budgets.
- 7.3 The estimated £0.900m capital investment cost for the supply and installation of the machine, equipment and support systems would be funded from unsupported borrowing over a 7-year life which incurs financing costs of c£0.140m per annum. It is assumed that these additional financing costs will be absorbed within the car park budgets or the existing budgets of Parking Services as a whole. The capital project and impact on the revenue budget will be monitored through the councils Targeted Budget Management (TBM) process.

Finance Officer Consulted: Jessica Laing

Date: 21/01/2021

Legal Implications:

- 7.4 The Environment, Transport & Sustainability Committee is the appropriate committee for the recommendations set out in paragraph 2 above in accordance with Part 4 of the council's constitution. In order to comply with the Contract Standing Order 3.1, authority to enter into contracts in excess of £500,000 must be obtained from the relevant Committee.
- 7.5 The council has a duty to secure 'economy, efficiency and effectiveness' in all its activities. The procurement of the proposed contract in a manner which attracts

the most economically advantageous bid supports this principle and is in line with the relevant procurement rules.

- 7.6 The council's Legal officers will advise on the use of any framework agreements and the call off contract(s) during the procurement process to ensure that the council complies with all relevant public procurement legislation as well as the council's Contract Standing Orders (CSOs).

Lawyer Consulted: Wendy McRae-Smith

Date: 20/01/2021

Equalities Implications:

- 7.7 This report is seeking additional funds only, the implications from the previously agreed report are:
- 7.8 The council's Traffic Control Centre operates 24 hours a day 7 days a week and is staffed in-house with council Traffic Monitoring Officers.
- 7.9 All four car parks are controlled remotely by these officers who cover a 24/7 rota. Their role is to control and monitor the parking equipment, protect income, speak to customers on both the intercom and via the telephone and create the season passes for the car parks alongside the Parking Information Centre. The Traffic Monitoring Officers are also responsible for reviewing CCTV and PCN evidence packs for bus lane enforcement and monitoring traffic management throughout the city.
- 7.10 An in-house maintenance team is also in place to complete first line maintenance of the equipment and who cover a 7 days a week, 7am to 7pm rota. Their role is to provide first line maintenance for the Pay on Foot machines in the car parks and the 700+ Pay and Display machines on-street around the city.
- 7.11 However, there are limits to the technical maintenance they can provide such as fixing card machines and making changes to the extensive software needed to remotely control the car park which is why this contract is only for a very limited area for the supply of technical equipment and support which cannot be provided by the council.

Sustainability Implications:

- 7.12 This report is seeking additional funds only, the implications from the previously agreed report are:
- 7.13 The council's Corporate Plan commits to delivering "a well-run city – keeping the city safe, clean, moving and connected" and to be Carbon Neutral by 2030. The council's City Transport mission is "to deliver an accessible, safe and sustainable city transport network able to support and unlock growth".
- 7.14 The council has a duty under the Traffic Management Act 2004 (TMA) to tackle congestion and disruption on the road network. The council and its partners have undertaken some significant development of systems in the city and have made good progress to date in investing in the Intelligent Transport System (ITS) to manage the traffic and highway network in the city.
- 7.15 The provision of new equipment in the car parks will support the council's goals of expanding Traffic Management throughout the city. It will be a requirement of the contract that the equipment has the ability to work alongside Variable Message Signs (an electronic traffic sign often used on roadways to give travellers information about special events) and online apps to direct traffic to car parks that have available spaces; making it easier for customers to find the right

car park for their needs and help lower congestion and vehicle emission levels.

Brexit Implications:

7.16 None Identified.

Any Other Significant Implications:

7.17 As set out in the 8th October 2019 ETS report.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix A – 8th October 2019 ETS Committee Report. Agenda Item.....

