

<b>Subject:</b>	<b>Off-street Car Park and Traffic Control Centre equipment replacement</b>		
<b>Date of Meeting:</b>	<b>8<sup>th</sup> October 2019</b>		
<b>Report of:</b>	<b>Executive Director, Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Paul Haines</b>	<b>Tel: 01273 292289</b>
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<b>Ward(s) affected:</b>	<b>(All Wards);</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The report seeks approval for the procurement of a contract for the provision and installation of car park and Traffic Control Centre equipment and associated support systems and maintenance. This is to replace the current contract and allow for the provision and installation of new equipment in 5 council owned car parks.
- 1.2 The current contract ends on 29<sup>th</sup> November 2020 and the new contract needs to be awarded in May 2020 to allow time to replace and install equipment.

**2. RECOMMENDATIONS:**

That the Environment, Transport & Sustainability Committee:

- 2.1 Grants delegated authority to the Executive Director, Economy, Environment & Culture to:
- (i) Procure and award a contract for the provision and installation of car park and Traffic Control Centre equipment and associated support systems and maintenance with a term of five (5) years and the option to extend for up to a further two years;
  - (ii) Grant the optional extension to the contract referred to in 2.1(i) subject to satisfactory performance of the contractor.

**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 This equipment is now at end of life and from 29 November 2020 the equipment will no longer be supported under the existing maintenance contract with our current supplier (APT Skidata) due to parts no longer being available.

- 3.3 The installation of new pay machines, pedestrian door entries and barriers; along with the associated control and support systems, will allow the council to future proof the car parks with new equipment, improve customer experience from the efficiencies the new equipment will bring and maintain one of its crucial income streams of around £6.5m per annum.
- 3.4 It will be more cost effective to replace the car park equipment as part of one tender process than piecemeal upgrades to existing system and make savings through economies of scale.
- 3.5 The Traffic Control Centre has recently been approached to remotely control High Street/Chapel Street car park on behalf of housing. This would then become the fifth car park for this procurement of equipment and maintenance.
- 3.6 The successful contractor appointed by the new contract will be required to:
1. Replace the existing Pay On Foot machines, barriers, ticket columns door entry systems, Automatic Number Plate Recognition (ANPR), Communication systems and all hardware/software needed to run the equipment in the five car parks referred to above.
  2. Replace the existing hardware and software in the Traffic Control Centre to ensure remote control and monitoring of all four car parks is maintained. This includes controlling the car parks, communicating with customers in the car parks via intercom, season passes, machine fault monitoring and monitoring via CCTV.
  3. Include options in the contract for the council to order additional equipment and systems, should the council wish to, such as gates/shutters and CCTV. This would help streamline spending for the council by the procurement of one contract rather than multiple contracts to cover the various options and save money.
- 3.7 The proposed new contract will be for a term of 5 years with the option to extend the contract for a total maximum extension period of 2 years subject to satisfactory performance. This will give the council more flexibility should its priorities change mid contract or if there are issues with contract performance.
- 3.8 The cost of the equipment is estimated to be £550,000 with a 5+2 years maintenance contract estimated to be £450,000. Therefore the total contract worth is £1,000,000 over the 7 year period.
- 3.9 The Brighton & Hove City Council Procurement Team will run a mini competition procurement process under the ESPO framework 509 (Lot 2) to award the new contract. The tenders for the contract will be evaluated on a combination of price and quality, and the competitive process will ensure that the council awards the contract to the supplier who has submitted the most economically advantageous tender. The framework offers a quick, simple and compliant route to purchasing Pay on Foot Solutions (lot 2) – covering the supply, installation and maintenance of Pay on Foot products and services, including entry/exit lanes, barriers, pay stations, and control centres. Our use of the framework is in line BHCCs Contract Standing Order 12.1 – which says: “Where the Contract Officer estimates that the total value of a Contract is likely to exceed £75,000 and a Framework Agreement

is available, then at least five tenders will be sought from Contractors on the relevant Framework Agreement”.

- 3.10 The procurement and award of the new contract will support the council in meeting one of the main objectives of the Traffic Management Act 2004 to reduce congestion and disruption on the road network and assist the council in securing a crucial source of income into the future.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

The options are as follows:

- 4.1 Do nothing – the Car Park Equipment would fail meaning the four main council car parks would be unusable. The annual £6.5 million income the council receives from car parking charges (from these four main car parks) would be lost. This is not an option and has therefore been discounted.
- 4.2 Change small parts of the equipment over time before November 2020 – This option would result in high costs. We would need to spend £500,000 on two smaller projects those being replacing the note readers and barriers, whereas for £550,000 we can upgrade all of the equipment. Due to the higher cost this option has been discounted.
- 4.3 Procure a new contract with an estimated cost of £550,000 for the provision of new car park equipment and associated systems referred to in this report. This would enable the council to future proof the four main council car parks, improving the customer experience and upgrading the note reader to accept the new £20 pound notes. This option supports the council’s policy to improve congestion and reduce emissions around the city and is therefore the recommended option.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 This has followed a procurement process which has allowed for the required consultation as part of the process; however we do not believe any community engagement or consultation is required.
- 5.2 A report was brought before the Procurement Advisory Board on 15<sup>th</sup> July 2019. PAB recommended that the report was brought to ETS Committee on 08/10/19 and made no further recommendations.

#### **6. CONCLUSION**

- 6.1 The procurement and award of the proposed new contract will assist the Council:
- protect a vital £6.5m per annum income;
  - to be able to accept the new £20 note at its pay machines;
  - in fulfilling its duties under the Traffic Management Act; and

- o in meeting its commitment to keeping the city moving and connected.
- 6.2 The procurement and award of the proposed new contract will also assist the Council in offering a better customer experience, especially to disabled customers as they will be able to make contact with our control centre if needed, without pushing a button at the entrance and exit barriers.
- 6.3 The ANPR system will enable checks for lost tickets and to check vehicles within the car park but it will not be used for enforcement. A DPIA has been completed.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 The total capital investment and contract cost of £1 million is service critical. The £550k capital investment cost for the supply and installation of the machine, equipment and support systems would be funded from unsupported borrowing at a total estimated total cost of £4920k in total or £86k per annum (assuming an interest rate of +2.2% and an asset life of 7 years). This and the additional revenue costs of £450k or £65k per annum will be covered both by existing budgets and the revenue income generated by the car parks. The existing car park costs are around £70,000 per annum. The total net income from car parks is currently forecast at £2.9 million.
- 7.2 The assumption is that the additional annual revenue costs of (£85K + £65k - £70k) £80k per annum will be absorbed, if not within car park budgets alone, then within the existing budgets of Parking Services as a whole. The relevant budgets will be monitored and reviewed as part of budget monitoring and setting.

*Finance Officer Consulted: Jessica Laing*

*Date: 16/09/2019*

### Legal Implications:

- 7.3 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.
- 7.4 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.
- 7.5 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: 20/09/2019*

#### Equalities Implications:

- 7.6 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.
- 7.7 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.
- 7.8 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.
- 7.9 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:

- 7.10 The council's Corporate Plan commits to delivering "a well-run city – keeping the city safe, clean, moving and connected". The council's City Transport mission is "to deliver an accessible, safe and sustainable city transport network able to support and unlock growth".
- 7.11 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.
- 7.12 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.

#### Any Other Significant Implications:

- 7.13 There will be a requirement for:
- The new machines to take cash or a card payment which means that the car park users will have choice of payment method (which is socially inclusive).

- The use of payment App's to allow payment by mobile phone instead of queuing at the payment machines (which allows for quicker payment and therefore improves customer experience).
- Vehicle licence plate recognition to increase through put of the exit lanes as the barrier will open quicker, but will not be used for any ANPR enforcement.
- Advance payment in the evening to avoid queues at the pay stations when theatres finish (which improves customer experience).
- The supplier will be required to ensure that payment can be made using Amex, which may bring value to the local economy as Amex are a significant local employer.
- The new machines will help create a more reliable and convenient service for local customers as well as an enhanced visitor experience to Brighton and Hove which in turn will benefit the local economy.
- Disabled access to pay on foot machines is accommodated as the machines are compliant with all current regulations and we provide disabled parking bays in all four car parks. We are also adding the facility at the entry/exit lanes for an automatic intercom call for people unable to press for a ticket. Regular disabled drivers will be able to purchase a pre-paid card which will allow them just to drive in and out of the car park without the need to visit the pay station.

### **SUPPORTING DOCUMENTATION**

#### **Appendices:**

1. None

#### **Background Documents:**

1. None