



Report of: **Executive Member for Environment and Transport**

Meeting of:	Date	Ward(s)
Executive	12 March 2015	All

Delete as appropriate		Non Exempt
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Appendix A of this report is exempt and not for publication

## **SUBJECT: Contract Award - Pay by Phone Parking Service**

### **1. Synopsis**

- 1.1 This report outlines the tender exercise that the Council has completed in respect of the Pay by Phone Parking Service and recommends a supplier to be awarded the contract.
- 1.2 The Procurement Strategy for this contract was agreed in a report to Executive on 18 September 2014.

### **2. Recommendations**

- 2.1 To agree the award of the Pay by Phone Parking Services contract to Paypoint Mobile and Online for a 5-year term commencing 1 May 2015, with an option to extend for a further two years.

### **3. Background**

- 3.1 In December 2008, the Council introduced a pay by phone parking option in two controlled parking zones (CPZs). In 2010, this service was extended and offered at all paid for parking locations within the borough.
- 3.2 In August 2011, Islington became the first local authority in the UK to trial a cash payment option through local retail establishments. This subsequently allowed the Council to switch off the coin facility at 300 pay and display machines throughout the borough, saving on cash collection and maintenance costs.
- 3.3 Pay by phone parking transactions amount to £4.5m per annum which equates to 65% of short term

parking income.

- 3.4 The current contract currently operates on a three month waiver extension expiring 30 April 2015.
- 3.5 A procurement exercise has been carried out by Traffic and Parking Services in conjunction with the Procurement Unit in line with the Council's Procurement Code. A business case was presented to the Procurement Board on 26 June 2014 and an advertisement was placed in the Official Journal of the European Journal (OJEU) on 10 October 2014.
- 3.6 The procurement strategy for this contract was agreed by the Executive on 18 September 2014 and the tender submission stage ended on 8 December 2014. Tender responses were received from three suppliers.
- 3.7 Pricing criteria made up 50% of the evaluation criteria, with the remaining 50% comprising pre-determined quality criteria. These latter were as follows:
1. Proposed methodology and approach for undertaking and delivery of services;
  2. Proposed reporting methodology of management information;
  3. Proposed approach to customer services and customer focus;
  4. Equality and diversity.
- 3.8 After evaluation and based on the above criteria, it is recommended that Paypoint Mobile and Online be awarded the contract (see the attached Tender Evaluation scores in exempt Appendix A). This supplier is the incumbent contractor and will pay the staff delivering the service at or above the London Living Wage.
- 3.9 In line with the Council's Charter for Fairness and Equality, where traditional coin operated pay and display machines have or will be removed a cash alternative payment option has and will be maintained through local retailers for people still wishing to pay by cash.

## **4. Implications**

### **4.1 Financial implications:**

The annual cost of the contract will be met through existing budgets within the parking account.

### **4.2 Legal Implications:**

The Council has power to regulate traffic and make charges for parking under section 6 of the Road Traffic Regulations Act 1984. The Council has power to enter into contracts for the collection of parking charges under section 1 of the Local Government (Contracts) Act 1997.

The estimated value of the proposed contract is above the threshold for application of the Public Contracts Regulations 2006 (currently £172,514). These are Part A services for purposes of the Public Contracts Regulations 2006. The contract has been procured in full compliance with the Regulations with advertisement in the Official Journal of the European Union.

Bids were subject to evaluation in accordance with the tender evaluation model. Paypoint Mobile and Online gained the highest evaluation score and may therefore be awarded the contract as recommended in the report.

In deciding whether to award the contract to the recommended service providers the Executive should be satisfied as to the competence of the suppliers to provide the services and that the tender prices represent value for money for the Council. In considering the recommendations in this report members must take into account the information contained in the exempt appendix to the report.

**4.3 Environmental Implications:**

An environmental impact scoping exercise has been carried out and it was identified that the proposals in this report would have no impacts on the following; energy use and carbon resources, travel and transportation, waste and recycling, climate change adaption, biodiversity or pollution.

**4.4 Resident Impact Assessment (RIA):**

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

An RIA screening was completed on 10 April 2014, and initial screening identified no adverse impacts requiring a fuller RIA. This can be accessed at <http://www.islington.gov.uk/about/equality-diversity/Pages/RIA's-2014.aspx>.

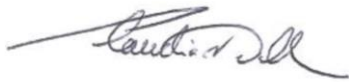
**5. Conclusion and reasons for recommendations**

- 5.1 The Pay by Phone service has become an important service in the delivery of short term parking in the borough. The new contract will allow for continuation and without any disruption to the service or additional costs to the Council. .
- 5.2 It is recommended that the Pay by Phone Parking Service contract be awarded to Paypoint Mobile and Online, commencing 1 May 2015.

**Appendix A (Exempt) – Evaluation scores**

Final report clearance:

**Signed by:**



24.2.15

Executive Member for Environment and Transport

Date

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