

# Surrey Heath Borough Council

## Executive

13 February 2024

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### Procurement of a New Car Park Management System (CPMS)

<b>Portfolio Holder:</b>	Cllr Helen Whitcroft, Resident & Community Services
<b>Strategic Director/Head of Service</b>	Nick Steevens, Strategic Director – Environment & Community
<b>Report Author:</b>	Alan Burns, Parking Services Manager
<b>Key Decision:</b>	Yes
<b>Portfolio Holder signed off the report:</b>	
<b>Wards Affected:</b>	Town

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#### Summary and purpose

To update the Executive on the procurement of a new car park control and management system supplier and to gain committee approval for the award of the contract in time for 3 June 2024, when the current contract ends. The current automatic number plate recognition (ANPR) car park control and management system for Main Square and Knoll Road car parks was installed on 2 June 2014 with a maximum contract for maintenance and software support of 10 years. This report sets out the procurement exercise undertaken and seeks approval to award the Car Park Management System contract to the successful tenderer.

#### Recommendation

The Executive is advised to RESOLVE that

- (i) the issue of intention to award the contract to tenderer 2 for a period of ten (10) years commencing on 3 June 2024 with the option for the council to extend for a further two (2) years be approved; and
- (ii) authority be delegated to the Strategic Director for Environment and Community in consultation with the Portfolio Holder for Resident & Community Services to award the contract following the 10-day statutory standstill period.

#### 1. Background and Supporting Information

- 1.1 In January 2023, following extensive research, discussions and consultation the Executive approved the procurement of a Car Park Management System (CPMS) to replace the existing Surrey Heath Borough Council (SHBC) CPMS.
- 1.2 The contract to maintain and operate SHBC's current Fusion ANPR car park management system used in Main Square multi-storey car park (MSCP) and Knoll Road multi-storey car parks (KRCP) expires on 2 June 2024. The contract was for a maximum period of ten years which cannot be extended further.

- 1.3 The use of Automatic Number Plate Recognition (ANPR) within the public and local authority realms differs in terms of regulation, application and purpose. While both sectors utilise ANPR technology for monitoring and enforcement, the specific objectives and regulatory frameworks within the public and local authority realms are different, leading to distinct applications and priorities for ANPR systems.
- 1.4 With support from SHBC's procurement team and a parking services procurement consultant, an open tender process commenced in February 2023 and concluded in December 2023. This report sets out the procurement process followed and the basis for recommending the successful tenderer.
- 1.5 The recommendations in this report are supported by the restricted, commercial information shown in Annex A.

## 2. Procurement Procedure

- 2.1 The original timetable for the procurement process and selection of a new contractor is set out below. This timetable enabled full scrutiny by members, maximised the time for contractors to submit their tenders and provided ample time for the procurement team to rigorously scrutinise submissions to identify a preferred contractor.

Publication of Tender	February 2023
Closing Date for Tender Submissions	July 2023
Presentation of submissions by top 3 tenderers	October 2023
Report to Executive for award of the contract to the preferred tenderer	December 2023
Award of Contract	January 2024
Completion of installation	May 2024

- 2.2 In February 2023, the Parking Services Manager at SHBC left post, leaving a vacancy that was integral to the procurement process. SHBC delayed the procurement process in order to seek appropriate knowledge and resource to ensure proper process occurred.

### Stage One

- 2.3 In March 2023, SHBC engaged the service of a parking services procurement consultant who assisted with the issue of a Standard Selection Questionnaire (SQ) on the Government's procurement delta portal with a deadline of 17 April 2023.
- 2.4 The SQ contained a range of compliance and information questions as essential requirements, to be evaluated on a 'pass' or 'fail' basis, to enable assessment of the suitability of potential suppliers based on the following selection criteria:
- a. Professional honesty, solvency and reliability
  - b. Economic and financial standing
  - c. Technical or professional ability
  - d. Aspects relevant to contract requirements (e.g. Insurance, Health and Safety, Equality and Diversity, Quality Assurance).

- 2.5 The SQ evaluation took place for the following four weeks. The stage 1 Evaluation Panel comprised of the Corporate Enforcement Manager, Car Parks Manager, Procurement Specialist and a parking services procurement consultant. Once individual evaluations were complete, scores were submitted to the Strategic Director for Environment & Community who audited the final scores.

## **Stage Two**

- 2.6 During May 2023, a revised, detailed CPMS specification was developed, establishing the fundamental aspects of a CPMS, reviewing existing equipment and researching the necessary equipment, software and services required to get best quality and value for money for SHBC and its residents and visitors.
- 2.7 The Invitation to Tender (ITT) was sent to the successful tenderers via the delta portal on 16 June 2023, with a deadline for return of 27 August 2023. Our intention was to procure a cost-effective, first-class parking management system to meet the requirements of the town's users, whilst also maximising the service options. We focused on achieving optimal convenience for customers, to obtain the highest quality parking management solution, and one which prioritises reliability of software and hardware throughout the lifetime of the contract to avoid further inflated repair costs throughout the contract.
- 2.8 Tenderers were invited to submit clarification questions to SHBC by 28 July 2023, with SHBC posting shared responses to all tenderers by 18 August 2023 to give tenderers opportunity to implement answers within their submissions. Submitted responses were held against the submission for tender evaluation, and to be attached to the contract as part of the final submission.
- 2.9 The stage two tender evaluation took place in August with the evaluation panel assessing submissions. Once individual evaluations were complete, scores were submitted to the moderator, who audited the preliminary stage and eventual final scores.
- 2.10 In September 2023 a number of Clarification Questions (CQs) were submitted to the remaining tenderers for a more detailed understanding of submissions, with deadlines for responses given as the end of September 2023. Submitted responses were held against the submission for tender evaluation, and to be attached to the contract as part of the final submission.
- 2.11 Officers of the evaluation panel engaged in four site visits in October 2023 where suppliers were engaged on a variety of technical and working relationship questions with demonstrations provided of equipment and software provision.
- 2.12 Tenderers were invited to attend individual clarification question dialogue sessions with SHBC staff in November 2023 to finalise any aspects of the submission, ensure the Pricing Schedule was completed and comparable across suppliers and engage with SHBC colleagues from finance, legal and IT to mitigate risks post award of the tenderer not meeting expectations from other services.
- 2.13 A final round of evaluation and score adjustments were made immediately after the dialogue sessions in response to the information provided. Final scores were submitted for audit to the Strategic Director for Environment & Community. The preferred bidder scored substantially higher than the other tender submissions.

### **3. Reasons for Decision**

- 3.1 The number of suppliers who engaged with the Stage One SQ process was high, and included a high calibre of CPMS providers. The preferred bidder scored substantially higher than the other submitted tenders.
- 3.2 The specification and evaluation processes were extremely thorough to ensure tenderers provided high calibre, compliant bids which meet the demands of SHBC. Evaluation and engagement with tenderers throughout the submission and subsequently in CQ and dialogue sessions has been carried out with the intention of meeting the intended purpose.

### **4. Reasons for Recommendation**

- 4.1 The winning tenderer evidenced their extensive experience, expertise, and highly flexible approach, demonstrating their acute understanding of the dynamic environment in which they would be operating. The winning tenderer reflected much more closely the quality demanded in the specification and provided a comprehensive suite of both infrastructure and technology which could deliver in all modes of operation and offered good value for money. Examples of the technology which will be employed is shown in Annex B.
- 4.2 The price sits within the estimated budget for both capital and revenue expenditure and offers an exciting opportunity to make savings during the term of the contract and generate some income through advertising on the digital display boards. Site visits made by SHBC validated the submission and the site representatives visited confirmed that the equipment is of high and reliable quality and software services are well supported.

### **5. Proposal and Alternative Options**

- 5.1 The evaluation panel are of the view that the tender process has brought forward a preferred bidder which is cost effective and offers the infrastructure and technology which suits the current and future needs of the multi-storey car parks and our customers. The process of re-tendering is not only unwarranted, but would also delay the award of a CPMS supplier beyond the expiry of the date of the existing contract which has no further option for extension. Furthermore, the resulting factor may be to lose existing tenderers who may not wish to resubmit a tender bid to SHBC.
- 5.2 As the existing contract cannot be extended further. Failure to enter into a new contract will result in no functional means of providing chargeable parking within the MSCP or KRCP.

### **6. Contribution to the Council's Five Year Strategy**

- 6.1 Environment – *To enhance and improve access to the borough's cherished green spaces and natural environments for the enjoyment of generations to come, balancing our commitments to housing delivery and economic growth. We are committed to tackling Climate Change, working with communities and partners.* The new ANPR system and cashless parking software option will encourage use of parking applications which will reduce paper receipts needed at paystations and the proposed reduction in pay stations will reduce energy consumption.

- 6.2 Economy – *To invest in our towns, villages and communities, supporting our existing businesses and attracting new ones. We will promote the unique identity for our whole borough and its places and work with partners to improve to the borough's infrastructure including transport infrastructure.*

The technical specification allows tenderers to bring forward innovative solutions to car park management, improving the customer journey and enabling collaborations with local businesses. Furthermore, the introduction of high-quality VMS signs on entry and exit give SHBC and local business the opportunity to give up to date borough wide information, promote community events and advertise services.

## **7. Resource Implications**

- 7.1 The existing parking services management team will need to be fully engaged with the decommissioning of the existing equipment and installation, training and customer engagement cycles for this project.
- 7.2 Costs will be reduced through reducing physical equipment such as the number of pay stations. Maintenance costs are reduced against the current annual cost of the existing supplier. Capital costs are lower than anticipated at the commencement of this project by approximately 10%.
- 7.3 Where certain cabling and equipment remains within its serviceable lifespan, the proposed tender has considered the retention of such items and will reduce cost and waste by reusing these.

## **8. Section 151 Officer Comments:**

- 8.1 This project is within existing budgetary provision. The reduced revenue cost will be retained in service unless offered up as a budget saving in year

## **9. Legal and Governance Issues**

- 9.1 All work has been carried out within the Council's procurement guidelines and is open to audit with clear and compliant process and documentation available for scrutiny.

## **10. Monitoring Officer Comments:**

- 10.1 No further comments

## **11. Other Considerations and Impacts**

### **Environment and Climate Change**

- 11.1 An Environmental impact scoping exercise has been carried out and it was identified that the proposals in this report would have no impact on the following;

- Use of natural resources
- Traffic and Transportation
- Waste and recycling
- Climate change adaptation

- Biodiversity
- Pollution

11.2 The new ANPR car park control and management system will be paperless with fewer pay stations. Whilst paper will be necessary to provide receipts for customers, no other paper will be required.

11.3 Potential contractors were challenged to identify innovative solutions to reduce the number of pay station required, to minimise the amount of electricity used to run our car parks.

### **Equalities and Human Rights**

11.4 The CPMS has been designed to be fully compliant with the Equalities Act. An EIA is not required as this is a continuation of an existing service.

11.4 The Data Protection Impact Assessment (DPIA) will be completed following the contract being awarded to the successful bid. No personal details are recorded by the cameras and access to the images is restricted to Parking Services staff only.

11.5 SHBC 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.

### **Risk Management**

11.6 Inflation rates and interest rates may increase the borrowing costs.

### **Community Engagement**

11.7 There will be a need to inform the public and Camberley town centre stakeholders of the disruption that will be caused during the removal of existing equipment and the installation of new equipment. The specification and follow up CQ and dialogue sessions charged the tenderer with the requirement to minimise impact and create a working plan that ensures reduced effect.

### **Confidential Annexes**

Annex A – Further Information

Annex B – Equipment detail

### **Background Papers**

Not Applicable