



City of Westminster

# Cabinet Member Report

<b>Decision Maker:</b>	Cabinet Member for City Management and Air Quality
<b>Date:</b>	21 December 2022
<b>Classification:</b>	<p>For General Release save for Appendix A, B and C are currently exempt from disclosure on the grounds that:</p> <p>(i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>
<b>Title:</b>	Award of the Parking Vehicle Relocations and Abandoned Vehicles Contract
<b>Wards Affected:</b>	All Wards
<b>Policy Context:</b>	Procurement of Parking Contracts
<b>Key Decision:</b>	Key decision due to significant expenditure and impact on all wards.
<b>Financial Summary:</b>	<p>The total sum in this report for which approval is sought is £1.179m for the period 1 April 2023 to 31 March 2027. There is an option to extend for an additional two 2 year periods (costs to be determined during 2026 for any extension option, but based on proposed annual costs for years 1-4 the value of all extensions would be circa £1.179m, giving a total potential contract value of £2.357m.</p>

**Report of:**

Jonathan Rowing, Head of Parking

## **1. Executive Summary**

- 1.1. This report sets out the procurement process conducted, the evaluation and rationale for recommending the successful tenderer, and to proceed to award of contract for the delivery of Vehicle Relocations and Abandoned Vehicles within parking.
- 1.2. The contract is planned to commence 1st April 2023 for a period of 4 years with the option to extend for a further period of 2 + 2 years (4+2+2) so potentially a full term contract of up to 8 years.

## **2. Recommendations**

- 2.1. Appendix A, B and C of this report be confidential pursuant to paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of tenderers for the contract which is the subject of this report.
- 2.2. That the Cabinet Member for City Management and Air Quality approves the recommendation to award a contract for vehicle relocation and abandoned vehicles removal services within parking to APCOA Parking (UK) Limited, for an initial period of four years with an option to extend the term for two consecutive 2 year periods for the total contract sum of up to £2.357M.

## **3. Reasons for Decision**

- 1.1. The tender submitted by APCOA Parking (UK) Limited for providing vehicle relocation and abandoned vehicles removal services was the highest scoring bid.
- 1.2. The supporting information provided in the submission gave the Council the necessary assurances that the supplier understood the requirements and that the supplier's proposed service would meet the required standards. APCOA Parking (UK) Limited's bid accordingly achieved the highest quality score.
- 1.3. The current parking contracts are due to expire and in order for the Council to provide continuation of services it was necessary to reprocure this service. The award of the Vehicle Relocations and Abandoned Vehicles Contract is

the second phase of the wider re-procurement of Parking Services contracts which commenced with the Parking Technology Contract in December 2022.

## **2. Background, including Policy Context**

- 2.1. The current 'Abandoned vehicles' service is part of the current 'Debt Management' contract with Marston Holdings. This contract expired recently on 31 October 2022 and was extended for an additional 4 years. The planned strategy is to utilise this extension for the Debt Service, and, at the same time, vary the contract to remove the Abandoned Vehicles service from 1 April 2023.
- 2.2. The current Vehicle Relocations contract is held by the Mansfield Group Limited. This contract expires on 31 March 2023 with no provision to extend.
- 2.3. We have decided to combine relocations together with the abandoned vehicles as we believe there is an increased chance of appointing a dedicated specialist supplier focussed on delivering the Council's requirements, and we believe this will provide more efficiencies for the Abandoned vehicles service, due to vehicles already being deployed in Westminster. It is felt that this activity should not be included in the other larger contracts as previous experience of such a model, and experience of other Boroughs, is that this means the work is not prioritised as it should be by the contractor.
- 2.4. The award of the Contract will contribute to Fairer Westminster vision with particular regards to the Fairer Environment objectives. The over-arching aim of the parking contracts are to ensure traffic regulations are being followed which in turn will decrease congestion and contribute to decreasing vehicle emissions overall. The contract combines vehicle removal with abandoned vehicle removal which should reduce the required amount of journeys made and therefore reduce CO2 emissions of the service(s). 10% of the total evaluation score was attributed to responsible procurement aligning with the Fairer Council responsible procurement objective.

## **3. Award of Contract**

### **3.1. Tender Process**

- 3.1.1. Following the endorsement of the Procurement Strategy at the Commercial Gateway Review Board (CGRB), and approval from the Executive Director of Environment and City the recommendation was to undertake a restricted procurement process with 2 stages.

### **3.2. Stage 1 – Selection Questionnaire**

3.2.1. A Selection Questionnaire (SQ) was used to assist with selection of suppliers to be invited to submit a tender at Stage 2 and contain criteria covering:

- Acceptance of the Councils' Terms and Conditions confirmed, or potential clauses noted as requiring further clarification or negotiation
- Commitment to the required insurances and their respective levels of cover
- That tenders were compliant and met the qualification envelope requirements, including submission of all documents requested within the allocated word limits.
- Grounds for mandatory exclusions
- Self Certify Economic and financial standing
- Provide responses on Technical and professional ability

3.2.2. Selection criteria focused on supplier's experience and track record to identify suitably qualified and experienced suppliers capable of providing the Council's requirements.

3.2.3. Some of the selection criteria such as financial standing were assessed on a pass / fail basis, others were scored in line with the selection criteria provided below.

	<b>Selection Question Heading (and sub section where specified)</b>	<b>Proposed Weighting (100%)</b>
<b>1</b>	<b>Resources</b>	<b>40%</b>
<b>2</b>	<b>Relevant Experience</b>	<b>40%</b>
<b>3</b>	<b>Environmental Management</b>	<b>20%</b>

1.1.1. The Selection Questionnaire was issued following the publication of the Contract Notice in connection with the competitive procurement of three Parking Services contracts.

- Business Processing Services
- People and Resources
- Abandoned Vehicle and Vehicle Relocations

Candidates had the opportunity to bid for all Lots, a combination of Lots or one Lot

3.2.4. Upon the deadline, the Council received 2 bids at SQ stage from APCOA Parking (UK) Limited and Bidder X. The details of the tenderers can be found in Appendix A. Both tenderers were found to be compliant and appropriate in terms of their scoring versus evaluation criteria and, as the numbers of bidders was below the limit of 5, all were recommended to proceed to ITT stage.

### 3.3. Stage 2 – Invitation to tender

3.3.1. The Invitation to Tender was issued to all shortlisted tenderers with a tender deadline of 3 October 2022. Upon closing, the council received 2 tenders from APCOA Parking (UK) Limited and Bidder X.

### 3.4. Evaluation Process

1.1.1. Following compliance checks, the Technical Tender submissions were made available to the selected Evaluators. Evaluators were assigned specific questions to evaluate. The tenders were evaluated on the following award criteria:

Technical Questions Evaluation Criteria	Weighting
<b>Total</b>	<b>50.00%</b>
Service Delivery	20.00%
Performance, Continuous Delivery and Quality	5.00%
Risk Management	10.00%
Mobilisation	5.00%
Responsible Procurement	10.00%

Commercial Questions Evaluation Criteria	Weighting
Contract price (Indicative scenario of annual spend)	50.00%

1.1.1. Social Value is now firmly part of the Council's wider Responsible Procurement policy. The Responsible Procurement Officer has provided set questions that allow providers to evidence meeting corporate standards on a number of fronts. Questions that providers must evidence in this proposed procurement include:

- How they will address pay gaps for genders or ethnicities that may exist at all levels in their sector.
- How they will reduce carbon emissions and energy usage from their fleet, buildings, and service delivery.
- What training, sponsorship, employment, experience, they can provide to the local community to ensure that all sectors of the local community benefit from the Council's spend on the service.

### 1.2. Evaluation Results

1.2.1. The evaluation results can be found in Appendix A.

### **1.3. Recommended Bidder**

1.3.1. APCOA Parking (UK) Limited is the recommended bidder.

1.3.2. The commercial evaluation was based on an indicative annual cost, as the service will vary depending on parking activity across Westminster. The Council require a dedicated service, for which a fixed price has been received and the council will also be able to call off on services specified as and when required.

1.3.3. Further recommended bidder information can be found in Appendix A.

## **6. Financial Implications**

### **1.1. Revenue Budgets and Anticipated Savings**

1.1.1. Parking Services have annual revenue budgets totalling £14.135m in respect of their existing People & Resources; Business Processing & Technology; and Vehicle Relocation contracts.

1.1.2. Parking have an MTFP commitment of £0.500m in 2023/24 to be delivered through the combined re-procurements.

1.1.3. The new suite of Parking contracts are expected to be delivered within the revised budget, meeting the MTFP commitment.

### **1.2. Capital Budgets and Funding**

1.2.1. There are no capital budget or expenditure implications for this award.

Further financial information can be found in Appendix A.

## **7. Legal Implications**

1.1. The recommendation in this report is seeking the approval of a contract award to APCOA Parking (UK) Limited (Company No. 02572947) for the provision of vehicle relocation services (“the Services”).

1.2. The Services have been procured via competitive restricted procedure in accordance with regulation 28 of the Public Contracts Regulations 2015 (“the PCR”).

1.3. The contract term will be from 1 April 2023 to 31 March 2027 with the option for WCC to extend the term by two consecutive 2 year periods.

1.4. WCC has a statutory duty under the Local Government Act 1999 to obtain and achieve best value when procuring services which is in the interest of public spending. This has been achieved by carrying out a competitive tender process.

1.5. Prior to the commencement of the Services, the Contract must be executed with the service provider under the terms set out in the tender documents and Legal Services' support and assistance should be sought to ensure this takes place.

## **8. Carbon Impact**

3.1. A Carbon Impact Assessment is not possible for this proposal as it only involves the re-let of the contract, rather than any policy change. Whilst the objective of the parking service is to positively affect congestion and air quality on streets, this is not possible to quantify.

## **4. Equalities Impact**

1.6. An equalities impact assessment has been carried out which concludes that the work carried out under WCC's abandoned vehicle and relocations contract could have disproportionately negative impacts on disabled drivers and passengers, and on low income vehicle owners by the nature of the service. It should be noted that these negative impacts do not differ from the existing contract arrangements to this new contract award. Mitigating measures are already in place to reduce these impacts.

**If you have any queries about this Report please contact:**

Jonathan Rowing (Head of Parking)

## **APPENDICES**

**Appendix A - Other Implications - Exempt from Publication**

**Appendix B - CGRB Gate 3 Overarching Strategy Report – Exempt from Publication**

**Appendix C - CGRB Gate 3 Vehicle Relocations and Abandoned Vehicles Report – Exempt from Publication**

*NB: For individual Cabinet Member reports only*

For completion by the **Cabinet Member** for City Management and Air Quality

**Declaration of Interest**

I have <no interest to declare / to declare an interest> in respect of this report

Signed:  Date: 21/12/2022  
NAME: **Councillor Paul Dimoldenberg**

State nature of interest if any:

*(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)*

For the reasons set out above, I agree the recommendation(s) in the report entitled Award of the Parking Vehicle Relocations and Abandoned Vehicles Contract and reject any alternative options which are referred to but not recommended.

Signed: 

Cabinet Member for City Management and Air Quality  
21/12/2022

Date: \_\_\_\_\_

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant

considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

## **Appendix A - Other Implications (Exempt from Publication)**

### **1. Resources Implications**

There are no implications above the existing contract.

### **2. Business Plan Implications**

There are no implications above the existing contract.

### **3. Risk Management Implications**

See below.

### **4. Health and Wellbeing Impact Assessment including Health and Safety Implications**

There are no implications above the existing contract.

### **5. Crime and Disorder Implications**

There are no implications above the existing contract.

### **6. Impact on the Environment**

There are no implications above the existing contract.

### **7. Equalities Implications**

8. There are no implications above the existing contract.

### **9. Staffing Implications**

Staffing resources will need to be reviewed in line with accompanying the new contract structure dependent upon the winners of each of the individual contracts.

### **10. Human Rights Implications**

There are no implications above the existing contract.

### **11. Energy Measure Implications**

There are no implications above the existing contract.

### **12. Communications Implications**

There are no implications above the existing contract.

### **13. Counter Terrorism and Security Implications**

There are no implications above the existing contract

## 1. Evaluation Results

The Council received tenders from APCOA Parking (UK) Limited, and the Mansfield Group Limited who is referred to as 'Bidder X' in the public report.

A summary of the final moderated scores and the outcome of the tender are included below:

TECHNICAL	% WEIGHTING	APCOA Score	Mansfield Score
Service Delivery	20.00%	14.40%	8.80%
Performance, Continuous Delivery and Quality	5.00%	4.00%	2.00%
Risk Management	10.00%	8.00%	2.40%
Mobilisation	5.00%	4.00%	1.00%
Responsible Procurement	10.00%	8.50%	1.20%
<b>TECHNICAL SCORES</b>	<b>50.00%</b>	<b>38.90%</b>	<b>15.40%</b>

COMMERCIAL	% WEIGHTING	APCOA Score	Mansfield Score
Indicative price		294,710	392,072
<b>Commercial scores</b>	<b>50.00%</b>	<b>50.00%</b>	<b>37.58%</b>

	% Available	APCOA Score	Mansfield Score
<b>TECHNICAL SCORES</b>	<b>50.00%</b>	<b>38.90%</b>	<b>15.40%</b>
<b>COMMERCIAL SCORES</b>	<b>50.00%</b>	<b>50.00%</b>	<b>37.58%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>88.90%</b>	<b>52.98%</b>

APCOA's bid was the highest scoring on both commercial and technical with clear differentiation in scoring between the first and second placed bidder. It is therefore recommended to award the contract to APCOA.

Mansfield scored very poorly in several areas of their technical submission, particularly with regards to their responses for mobilisation, responsible procurement, and business continuity. Although the scores given do give potential grounds for failure of bid, as there were only 2 bidders Mansfield's bid was left in as a comparator, especially as Mansfield are the incumbent for the Vehicle Relocation Service.

## 2. Further Recommended Bidder Information

APCOA's technical submission was consistently very good throughout, scoring 4 in nearly every category, it confirmed they had a good understanding of the requirements of the service.

## 3. Further Financial Implications

As part of the strategic redesign of the procured services, existing budgets have been mapped onto new contracts. This has identified £0.148m as the existing budget relating to Vehicle Relocations.

The APCOA bid for Vehicle Relocations details an annual cost of £0.295m, higher than the current budget by £0.147m. The APCOA bid comprises a fixed annual cost of £0.187m and additional variable cost above that according to activity levels.

While the cost of the Vehicle Relocations is higher than current budget, the bid pricing from APCOA includes the majority of services within the fixed fee thereby reducing the risk of significant cost variance resulting from activity, which is most often outside of council control.

The total estimated cost of the new suite of Parking contracts is £13.050m. This is based on the commercial bids provided for those contracts currently in procurement, and estimates of the expected value of the Cashless and Compliance and Audit contracts which are not yet certain at this stage.

Budget for all of the Parking contracts is £14.135m before the reduction of £0.500m due to the MTFP commitment. At an expected cost of £13.050m, the procurements will deliver within budget and meet the MTFP saving.

The contract costs following implementation will be closely monitored and if this additional saving can be delivered it will be reported in 2023/24 monitoring and considered for presentation in the next MTFP.

## 4. Risk Management Implications

<b>Risk</b>	<b>Detail</b>	<b>Mitigation</b>
Delay to award	Short timeframe remaining for award and mobilisation due to previous delays	Ensure early engagement with cabinet member and CGRB. Line up approvals immediately after CGRB endorsement. Employ team to support with mobilisation. Awarding to incumbent for People and Resources contract should reduce mobilisation issues.
Value For Money	To ensure WCC is receiving a viable commercial solution	Ongoing contract management to monitor commercials from the awarded contract. Contract Managers will be expected to carry out benchmarking throughout the life of

		the contract to ensure VfM is constantly achieved.
Contract Management	Multiple Parking Services contracts being let at the same/similar time. Need to ensure contract management is seamless across all contracts.	Contract Management similar to existing WCC set up in terms of individual contract managers for each contract (i.e. BP and P&R). Introduction of Audit and Compliance contract to underpin all relevant parking services contracts to ensure suppliers are delivering the service as required.
Interactions with other contracts	This contract will have the interactions with other contracts held by other suppliers and will be reliant on the Technology contract, BP contract, and the CCTV contract.	Introduction of Audit and Compliance contract to underpin all relevant parking services contracts to ensure suppliers are delivering the service as required. Dedicated PM for Tech Contract mobilisation will be required to ensure Technology contract is up and running correctly prior to "go-live" date.
Winning supplier declines opportunity	APCOA have bid for other larger contracts. This small contract on its own may not interest them and they may withdraw	This contract will give APCOA a chance to prove their abilities in Westminster and will hopefully interest them regardless of results elsewhere. The success in this lot may also make APCOA less likely to challenge results elsewhere. If they do walk away the Council has the ability to continue the abandoned vehicles element within existing debt contract.

## Appendix B – CGRB Report Parking Strategy



Gate 3 - Award  
Report - Linked Contr

## Appendix C – CGRB Gate 3 Vehicle Relocation and Abandoned Vehicles Report



Gate 3 Award Report  
- Parking - Vehicle Re