



City of Westminster Cabinet Member Report

Decision Maker:	Cabinet Member for City Management and Air Quality
Date:	8 March 2023
Classification:	Part Exempt
Title:	Procurement of Contracts for Round trip, Flexible and Geofence Car Sharing Services
Wards Affected:	All
Policy Context:	Providing a greener alternative to private vehicle ownership, to both residents and business within the City, with the effect being to improve air quality, ease congestion and free up kerb space.
Key Decision:	Key decision due to impact on all wards.
Financial Summary:	<p>The total income sum in this report for which approval is sought is £3.219m for the period 1 April 2023 to 31 March 2027, with option to extend for an additional one-year period giving a total potential income value of £4.154m. These costs represent the estimated maximum income expected, assuming the value of the extension to be in line with year 4.</p> <p>It is estimated that the council may receive income of £2.533m over the period 1 April 2023 to 31 March 2027, rising to £3.153m if extended.</p> <p>There is no cost associated with these contracts.</p>
Report of:	Amy Jones, Director for Environment

1. Executive Summary

- 1.1. This report sets out and summarises the results of the procurement process conducted to award contracts for the provision of Roundtrip Car Sharing Services (Lot 1), Flexible Car Sharing Services (Lot 2) and Geofence Car Sharing Services (Lot 3).
- 1.2. The report gives recommendations for the award of each respective contract on the basis that those bidders being recommended have offered the most economically advantageous bids to the City Council and its customers.

2. Recommendations

- 2.1 That the Cabinet Member for City Management and Air Quality approves the recommendation to award the Contract for the Provision of Roundtrip Car Sharing Services (Lot 1) and also the Contract for the Provision of Flexible Car Sharing Services (Lot 2) to Zipcar (UK) Ltd, and to award the Contract for the Provision of Geofence Car Sharing Services (Lot 3) to HiyaCar Ltd. All three contracts are for a period of four years from 1st April 2023, with the option to extend by up to a further one year.
- 2.2 As these are concession contracts, with no cost to the City Council, contract value is determined by the turnover to the operator. As the turnover over the contract term is in excess of the £1,500,000 threshold set by the Procurement Code, Cabinet Member sign off is required.

3. Reasons for Decision

- 3.1 The tenders submitted by Zipcar (UK) Ltd for both the Roundtrip and Flexible services offer the most economically advantageous proposals to the City Council. Both offered bids on price significantly in excess of the minimum permit price and both provided high scoring quality scores.
- 3.2 The tender submitted by HiyaCar Ltd for the provision of the Geofence service offers the most economically advantageous bid. Their bids for both quality and price were in excess of the thresholds necessary to be considered qualified to operate in the City.

4. Background, including Policy Context

- 4.1 Car Sharing was first introduced to Westminster in May 2009 with the aim of providing a greener alternative to private vehicle ownership, to both residents and business within the City, with the effect being to improve air quality, ease congestion

and free up kerb space. The service provides vehicles situated on street and made available to members for short-term hire.

- 4.2 Since its introduction the car sharing service has expanded to 185 dedicated bays from which the Roundtrip car sharing model operates and has resulted in the introduction of the Flexible car sharing model too, when the services were last procured in 2018. The Flexible service doesn't require pick up and return to the same dedicated car club bay that the Roundtrip service operates from, instead vehicles are provided with a permit that allows them to park in cashless, shared use and resident parking bays throughout the City. This means that the members can start and end their journey at completely different locations, including other participating boroughs as well as Heathrow and Gatwick airports.
- 4.3 The service has proved popular with residents, who represent 90% of the membership base in Westminster, and there are over 20,000 members in the City at present. Utilisation of the vehicles within both car sharing fleets is high and we have seen growth in utilisation throughout the course of the current contract despite the increase in vehicle numbers resulting from the introduction of Flexible car sharing in 2018.
- 4.4 This procurement aims to build off of the success of the current contracts by seeking to introduce new suppliers to the City, to further expand the vehicles available to residents and to increase the proportion of electric vehicles within the fleets. With this aim we have looked to additionally procure a Geofenced car sharing service, which is a hybrid of the two established services already in the City in that sessions start and end from the same location, but not to a dedicated bay. Therefore, the vehicle is permitted to use applicable bays in a geo-fenced area, which will be cashless, shared-use and resident bays as it is with the Flexible service, and members start and end their session from the same area. As the service doesn't need a dedicated car club bay from which to operate, it allows us a much greater level of flexibility to either change fleet size or relocate vehicles if needed.
- 4.5 Consequently the procurement involves three lots. Lot 1 for a single supplier to provide the on-going provision of the Roundtrip service already in place, Lot 2 for a single supplier to provide the on-going provision of the Flexible service and the third lot for up to two suppliers to provide a new geofence car sharing service in the City. This will ensure that there is continued service provision for the existing membership of the car club as well as development and growth of the car sharing service through the introduction of geofenced car sharing.
- 4.6 The contract term for each service is set at four years with a one year extension provision for each.

4.7 Lot 1 – Roundtrip Car Sharing Service

- 4.7.1 The decision was taken to procure a single supplier for the service because it would minimise the extent to which existing service users would be impacted and because of the low number of suppliers in the market. An open procurement exercise was followed, because of the low number of operators, which meant that there was no need to shortlist ahead of tender evaluation.
- 4.7.2 Scoring was split between quality and price each at 50% on all three lots. Bidders were required to provide the permit price they were willing to pay to operate from the 185 car club bays throughout the City to determine scores for price. A minimum bidding price was set at £2,000 for each of the car club bays and the contract offers permit price reduction of £500 per permit for each Battery Electric Vehicle (BEV) operating within the fleet to incentivise transition.
- 4.7.3 The scope of the service that is being procured does not significantly differ from the existing Roundtrip car club service in Westminster. The concessionaire will be expected to promote the scheme and will need to ensure that appropriate levels of vehicle utilisation and membership growth are met.
- 4.7.4 The concessionaire is required to provide an appropriate mix of vehicles as part of their fleet to meet the needs of residents and businesses in the City. They must also ensure that all vehicles meet Ultra Low Emission Vehicle (ULEV) requirements and cannot include any diesel cars in the fleet.
- 4.7.5 The concessionaire will be expected to actively transition the fleet to BEV through the course of the contract in order to realise the City Council commitment to operating a completely BEV car sharing fleet.

4.8 Lot 2 – Flexible Car Sharing Service

- 4.8.1 The Flexible car sharing scheme is now an established model in Westminster and its introduction served to boost membership to the car sharing scheme and to positively impact utilisation too. As with Lot 1, the decision has been taken to procure a single supplier because of the lack of operators in the market and therefore again no shortlisting was required.
- 4.8.1 Scoring was split between quality and price each at 50%. As part of the tendering process, bidders were required to provide the permit price per vehicle they were willing to pay for the 80 permits they are obligated to pay for. Minimum bidding price was set at £2,000 per permit and, as with the other lots procured, a permit price reduction of £500 per permit for each Battery Electric Vehicle (BEV) operating within the fleet will apply in order to incentivise transition.

- 4.8.2 As with the Roundtrip service, the scope of the service that is being procured does not significantly differ from the existing Flexible car club service in Westminster other than an increase in the minimum permit number from 60 to 80. The concessionaire will be expected to promote the scheme and will need to ensure that appropriate levels of vehicle utilisation and membership growth are met.
- 4.8.3 Parking Services will continue to monitor service impact daily considering the flexible nature of the scheme and in anticipation of any impacts from growth into new boroughs in London. Quarterly prorated payments will continue to apply to account for vehicle numbers being in excess of the 80 vehicle minimum payment requirement.
- 4.8.4 There will be a requirement for the concessionaire to continue to provide the Council with the appropriate reporting functionality to monitor the success of the scheme and they will be required to ensure vehicles are appropriately distributed without the need for unnecessary journeys.
- 4.8.5 The concessionaire will be required to provide an appropriate mix of vehicles as part of their fleet to meet the needs of residents and businesses in the City. They must also ensure that all vehicles meet ULEV requirements and cannot include any diesel cars in the fleet.
- 4.8.6 The concessionaire will be expected to actively transition the fleet to BEV through the course of the contract in order to realise the City Council commitment to operating a completely BEV car sharing fleet.

4.9 Lot 3 – Geofence Car Sharing Service

- 4.9.1 Geofenced car sharing has yet to operate in Westminster, although it does in a number of other London boroughs, and it is a hybrid of the Roundtrip and Flexible models. It provides the same journey type as Roundtrip, as the hirer starts and ends their session at the same location, although it does not operate from a dedicated car club bay, but instead it is granted the same permission as Flexible car sharing vehicles, but within a specified Geofenced area, such as a street.
- 4.9.2 The introduction of the Geofenced model provides the City Council with the opportunity to more easily expand the fleet of vehicles available to residents, because Traffic Orders do not need to change to accommodate them, and to introduce new suppliers to the City. Consequently, the decision was taken to procure the service to accommodate up to two operators.
- 4.9.3 As with the other lots, scoring was split between quality and price each at 50%. As part of the tendering process, bidders were required to provide the permit price per vehicle they were willing to pay as well as a plan for fleet expansion. Minimum

bidding price was set at £2,000 per permit and there was also a minimum fleet size set at 25 vehicles. Scoring was then determined by proposed income over four years from permit price multiplied by fleet size. The winning bidder overall would then receive a 60% share of the 250 vehicles potentially available to mobilise, with the second placed bidder awarded 40%. As with the other lots procured, a permit price reduction of £500 per permit for each Battery Electric Vehicle (BEV) operating within the fleet will apply in order to incentivise transition.

- 4.9.3 Locations for the vehicles will be agreed with the City Council ahead of the launch of the service to ensure an appropriate spread, utilising parking occupancy data to make sure the locations can accommodate the vehicles. Bidders have been invited to propose a fleet expansion programme although any expansion will have to be with the agreement of the City Council to ensure that there is an appropriate demand to accommodate fleet size, which is in the best interests of both parties.
- 4.8.3 Parking Services will continue to monitor service impacts, although considering the flexibility the service offers any issues that emerge from individual vehicle locations, such as poor utilisation for example, can be easily addressed through vehicle relocation. The concessionaire will be expected to promote the scheme and will need to ensure that appropriate levels of vehicle utilisation and membership growth are met.
- 4.8.5 The concessionaire will be required to provide an appropriate mix of vehicles as part of their fleet to meet the needs of residents and businesses in the City. They must also ensure that all vehicles meet ULEV requirements and cannot include any diesel cars in the fleet.
- 4.8.6 The concessionaire will be expected to actively transition the fleet to BEV through the course of the contract in order to realise the City Council commitment to operating a completely BEV car sharing fleet.

5. Award of contract

5.1 Tender Process

- 5.1.1 As there are relatively few suppliers in the market an open procurement procedure was followed and we published a contract notice on Capital E-Sourcing, and fully complied with the Concessions Contract Regulations 2016.

5.2 Evaluation Process

- 5.2.1 All tender documentation was produced at the point at which the contract was advertised. This allowed bidders to have sight of the contract specification, the contract conditions and the scoring criteria ahead of making a submission.

5.2.2 One supplier, Zipcar (UK) Ltd, responded to Lot 1 of the tender, one supplier, Zipcar (UK) Ltd, to Lot 2, and one supplier to Lot 3, HiyaCar Ltd.

5.2.3 Of the submitted bids, all three qualified through to tender evaluation stage.

5.3 Evaluation Results

5.3.1 The evaluation criteria was set at a ratio of 50:50 for quality and price.

5.3.2 The evaluation criteria for Lot 1 broke down as follows:

Evaluation Criteria		
Technical – 50%	METHOD STATEMENTS (WEIGHTING = 40%)	
	Fleet Proposal	9%
	Member Services	5%
	Indemnity and Insurance Arrangements, and Health and Safety	1%
	Back Office and Support Services	5%
	Marketing and Promotion	6%
	Reporting Capabilities	4%
	Future Development	6%
	BCP, DPA and Data Security	1%
	Mobilisation	3%
	RESPONSIBLE PROCUREMENT (WEIGHTING = 10%)	
	Electric Vehicle Transition	7%
	Supporting the Community	3%
Price – 50%	Permit price, paid by the bidder to the City Council, to operate from each of the 185 bays. Minimum bid was set at £2,000 per permit.	50%

5.3.3 The evaluation criteria for Lot 2 broke down as follows:

Evaluation Criteria		
Technical – 50%	METHOD STATEMENTS (WEIGHTING = 40%)	
	Fleet Proposal	9%
	Fleet Management	4%
	Member Services	4%
	Indemnity and Insurance Arrangements, and Health and Safety	1%

	Back Office and Support Services	4%
	Marketing and Promotion	5%
	Reporting Capabilities	5%
	Future Development	6%
	BCP, DPA and Data Security	1%
	Mobilisation	1%
	RESPONSIBLE PROCUREMENT (WEIGHTING = 10%)	
	Electric Vehicle Transition	7%
	Supporting the Community	3%
Price – 50%	Permit price per vehicle, paid by the bidder to the City Council. Minimum bid was set at £2,000 per permit.	50%

5.3.4 The evaluation criteria for Lot 2 broke down as follows:

Evaluation Criteria		
Technical – 50%	METHOD STATEMENTS (WEIGHTING = 40%)	
	Fleet Proposal	9%
	Member Services	5%
	Indemnity and Insurance Arrangements, and Health and Safety	1%
	Back Office and Support Services	5%
	Marketing and Promotion	5%
	Reporting Capabilities	5%
	Future Development	6%
	BCP, DPA and Data Security	1%
	Mobilisation	3%
	RESPONSIBLE PROCUREMENT (WEIGHTING = 10%)	
	Electric Vehicle Transition	7%
	Supporting the Community	3%
Price – 50%	Permit price per vehicle, paid by the bidder to the City Council. Minimum bid was set at £2,000 per permit.	50%

5.3.5 The evaluation team for each lot consisted of officers from Parking Services, with support from the Procurement Team.

5.3.6 The moderated scores following evaluation are below:

Lot 1

Summary of Tender Results			
Bidder	Technical Score	Price Score	Total
Zipcar (UK) Ltd	38.40%	50.00%	88.40%

Lot 2

Summary of Tender Results			
Bidder	Technical Score	Price Score	Total
Zipcar (UK) Ltd	40.80%	50.00%	90.80%

Lot 3

Summary of Tender Results			
Bidder	Technical Score	Price Score	Total
HiyaCar Ltd	32.20%	50.00%	82.20%

5.4. Recommended Bidders

5.4.1. Lot 1 – Roundtrip

5.4.1.1 Zipcar (UK) Limited is the recommended bidder for Lot 1. Zipcar provided the most economically advantageous bid overall with a strong technical score and price.

5.4.1.2 The submission from Zipcar included a bid on price significantly in excess of the minimum price and a score 38.4% out of 50% from the technical evaluation. Zipcar delivered a strong response that demonstrated their strength as an operator of the Roundtrip model and they offered assurance of their ability to deliver in this area. It is clear from their submission their understanding of the Westminster customer demographic and the opportunity the model has in the City. They were also able to commit to a transitional plan to a fully EV fleet by the end of the contract and demonstrated a very good understanding of the associated difficulties of operating an electric Roundtrip car sharing fleet. As Roundtrip journeys are longer and well outside of London where charging infrastructure isn't so well established additional challenges come with transition to EV.

5.4.1.3 Beyond EV fleet transition further responsible procurement commitments were offered under the Supporting the Community technical question, with a summary of some of the highlights below:

What priorities have been addressed?	Social Value Expectation	What outcomes has the winning tenderer committed to?
Employment opportunities	Events delivered per 12 months of the contract engaging school children with careers in STEAM and educating students on climate change	Facilitate events that pair with environmental charities or community groups, such as planting trees across the borough
Growth	Business grants for start-ups within the borough who have started a business/charity with an ambition to support climate emergency targets	<p>Commit to providing the following financial support to businesses and charities across Westminster, to support climate emergency targets:</p> <ol style="list-style-type: none"> 1. £3,600 per annum – Monthly Charity Drive with £300 of driving credit going to a charity each month. We will ensure Westminster charities are represented and will look specifically to those organisations that have clear climate emergency targets. Additional money from office fundraising events to be donated. 2. £10,000 - Annual account fee removal for approx.100 charities (usually £99 per year)
Social	Volunteering hours at community based events within the borough	<p>The 'Zipcar for Business' team supports over 600 charities across London, over 20 charities on this plan are in Westminster, alongside featuring them as part of a community newsletter and social media communications. The charity plan, gives them access to discounted rates during the week (up to 30% off), lifetime free membership, alongside dedicated account management support.</p> <p>336 hours per annum – Zipcar's Big Hand programme provides all staff with at least one volunteering day per year to volunteer at local charities. Propose that all staff spend 1 day volunteering within Westminster per year. 42 members of staff to spend 8 hours each volunteering.</p>

5.4.1.4 There is further information on Recommended Bidders for Lot 1 in Part B of this report.

5.4.2. Lot 2 – Flexible

5.4.2.1 Zipcar (UK) Limited is the recommended bidder for Lot 2. Zipcar provided the most economically advantageous bid overall with a strong technical score and price.

5.4.2.2 The Flexible submission from Zipcar similarly included a bid on price significantly in excess of the minimum price and a score 40.80% out of 50% from the technical evaluation. Their technical submission here was very strong, demonstrating very good growth of the service since its 2017 launch and integration with the broader service. EV transition is already significant within the fleet and Zipcar intend to completely transition very early within the life of the contract.

5.4.2.3 Beyond EV fleet transition further responsible procurement commitments were offered under the Supporting the Community technical question, with a summary of some of the highlights below:

What priorities have been addressed?	Social Value Expectation	What outcomes has the winning tenderer committed to?
Employment opportunities	Events delivered per 12 months of the contract engaging school children with careers in STEAM and educating students on climate change	Facilitate events that pair with environmental charities or community groups, such as planting trees across the borough
Growth	Business grants for start-ups within the borough who have started a business/charity with an ambition to support climate emergency targets	Commit to providing the following financial support to businesses and charities across Westminster, to support climate emergency targets: 1. £3,600 per annum – Monthly Charity Drive with £300 of driving credit going to a charity each month. We will ensure Westminster charities are represented and will look specifically to those organisations that have clear climate emergency targets. Additional money from office fundraising events to be donated. 2. £10,000 - Annual account fee removal for approx.100 charities (usually £99 per year)
Social	Volunteering hours at community based events within the borough	The 'Zipcar for Business' team supports over 600 charities across London, over 20 charities on this plan are in Westminster, alongside featuring them as part of a community newsletter and social media communications. The charity plan, gives them access to discounted rates during the week (up to 30% off), lifetime free membership, alongside

		dedicated account management support. 336 hours per annum – Zipcar's Big Hand programme provides all staff with at least one volunteering day per year to volunteer at local charities. Propose that all staff spend 1 day volunteering within Westminster per year. 42 members of staff to spend 8 hours each volunteering.
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5.4.2.4 There is further information on Recommended Bidders for Lot 2 in Part B of this report.

5.4.3. Lot 3 – Geofenced

5.4.3.1 HiyaCar Ltd is the recommended bidder for Lot 3. HiyaCar Ltd's submitted bid for the Geofence service offers the most economically advantageous proposal to the Council. As their bid was the only one received, they qualify though as first placed operator with the option to operate up to 150 vehicles.

5.4.3.2 Hiyacar Ltd comfortably qualified through the evaluation stage with a qualifying permit price and a score of 32.2% out of 50% from the technical evaluation. Although new to operating on street in Westminster, Hiyacar do already have an existing customer base in the City and an off street fleet already operating. Their submission gave good assurance of their credentials as an operator in the car sharing market too and that they would be able to deliver to a high standard within the City. They were also able to demonstrate experience of operating EVs as part of other contracts, so understand the challenges associated with transition. The proposal by Hiyacar Ltd lays out their commitment to transition to a fully electric fleet by 2030, with an initial outset of 12% at time of contract commencement.

5.4.3.3 Beyond EV fleet transition further responsible procurement commitments were offered under the Supporting the Community technical question, with a summary of some of the highlights below:

What priorities have been addressed?	Social Value Expectation	What outcomes has the winning tenderer committed to?
Employment opportunities	Events delivered per 12 months of the contract engaging school children with careers in STEAM and educating students on climate change	Hiyacar would commit to 1 event in the first 12 months to engage with school children to educate them on climate change and the role which car sharing can play in reducing emissions, congestion and pollution.

Growth	Business grants for start-ups within the borough who have started a business/charity with an ambition to support climate emergency targets	Work with start-ups within the Borough to provide subsidised mobility packages
Social	Volunteering hours at community-based events within the borough	Commit to 6 hours every 6 months for community events within the borough. Will also be looking to attend community events and would work with the Council to identify such events.

5.4.3.4 There is further information on Recommended Bidders for Lot 3 in Part B of this report

5.6 Evaluation Outcome

5.6.1 The expectation was that we would not receive many bids because there are only four operators in the UK car sharing market across the three models of car sharing, where none of the operators use all three of the models. This is why we followed an open tender route because we knew that the number of bids would be manageable. We were also aware through engagement prior to procurement that some operators had additional challenges as a result of the longer-term impacts of the vehicle hire market from Covid-19 as well as within the vehicle supply chain.

5.6.2 Having only received one bid in each lot wasn't unexpected because of what we understood of the market. Ultimately, the procurement exercise resulted in the council being able to successfully identify suitably qualified operators being able to deliver to a standard well in excess of our minimum bidding criteria.

6. **Mobilising the New Contract**

6.1 A mobilisation plan was included and scored as part of the tender for all three lots, as well as a risk and mitigation schedule.

6.2 Zipcar are the incumbent provider for the Roundtrip and Flexible service which is already in place, so there will be minimal impact from mobilisation.

6.3 A comprehensive mobilisation and marketing plan have been provided by HiyaCar for the Geofence service and they already have experience of having mobilised the service in other London boroughs. Additionally, Hiyacar already have a presence in Westminster with a number of vehicles operating from off-street locations and nearly

4,000 members in the City. However, as the service is new, there is some flexibility regarding the mobilisation timescales.

7. Financial Implications

7.1 Budget & Funding

- 7.1.1 Parking have an income budget of £900,500 in 2022/23 in respect of Car Clubs, of which £277,500 relates to Roundtrip contracts and £623,000 relates to Flexible. As a new service, there is currently no income budget in relation to Geofenced Car Clubs.
- 7.1.2 The current Medium Term Financial Plan includes a pressure of £280,000 related to the Flexible contracts, recognising that it has not been possible to mitigate the withdrawal of the second Flexible provider in January 2020. If approved, this will bring the total Car Clubs income budget to £620,500.
- 7.1.3 There are no expenditure budgets in relation to Car Clubs.

7.2 Future Income and Costs

- 7.2.1 The proposed award for all three car sharing services will generate income to Westminster, however the exact level of income will depend on the take-up of the EV discount as the providers transition towards the desired EV fleet, and the actual number of permits used by the providers.
- 7.2.2 A prudent expected income has been modelled for each of the lots, making assumptions as to the likely level of permits and EV take up in each contract year. With the inclusion of the GeoFenced Car Clubs it is anticipated that income will slightly exceed budget, as shown in the table below:

Proposed Budget 23/24		Year 1		Mature Year	
		Estimated Income	(Surplus)/ Deficit	Estimated Income	(Surplus)/ Deficit
Roundtrip	(277,500)	(430,000)	(152,500)	(350,000)	(72,500)
Flexible	(343,000) includes £280,000 pressure	(150,000)	193,000	(148,000)	195,000
GeoFenced	0	(50,000)	(50,000)	(125,000)	(125,000)
Total	(620,500)	(630,000)	(9,500)	(623,000)	(2,500)

- 7.2.3 Using the modelled assumptions of permit numbers and EV take up, total income from the 3 contracts over the 4 initial years is estimated at £2.533m,

and if the extension is taken up and generates income in line with Year 4 the total for the full 5 years is estimated at £3.153m.

7.2.4 The actual income generated will depend on the level of EV take up, number of permits, and growth of the Geofenced model. These factors and future income potential will be monitored throughout the contract.

7.2.5 There are further details on the future costs and income in Part B of this report.

7.3 Anticipated Savings

7.3.1 There are no MTFP savings proposed in respect of Car Clubs. Transition to EV and growth in permits will be monitored, and if the projections above are exceeded then savings will be proposed in future MTFP.

7.4 Value for Money

7.4.1 Alternative models and collaboration have been considered, with the models proposed expected to maximise the benefit received by the council.

7.5 Inflation

7.5.1 With no cost to the council in running the Car Club service, there is no exposure to inflation pressure. Indexation applied to the fees charged to operators will improve the income position.

8. Digital Implications

8.1 There is no integration between the suppliers' IT systems and the Council's infrastructure. Furthermore, the supplier is not processing data on the Council's behalf and as such it is unlikely there will be any DPIA implications or data security issues. Essentially, the Council is primarily providing a facility to the supplier for which the Council is being paid.

8.2 There is useful information around the usage to ensure that we are getting good value for money. There may be some opportunities in the future to work with the vendors in order to improve this by introducing other datasets and determining the most efficient and usable parking bays etc.

9. Legal Implications

9.1 Roundtrip – Lot 1

The recommendation under this report is to award a contract to Zipcar (UK) Limited for the delivery of Roundtrip Car Sharing Service for a period of four years with an option to extend for a further one year. The contract falls under the definition of a 'concession contract' within the meaning of Regulation 3 of the Concession Contract Regulations 2016 ("CCR"). As the anticipated turnover of the contract is circa £7,375,000, it falls above the threshold of £5,336,937 for concession contracts and therefore the full implications of the CCR will apply.

9.2 Flexible – Lot 2

The recommendation under this report is to award a contract to Zipcar (UK) Limited for the delivery of Flexible Car Sharing Service for a period of four years with an option to extend for a further one year. The contract falls under the definition of a 'concession contract' within the meaning of Regulation 3 of the Concession Contract Regulations 2016 ("CCR"). As the anticipated turnover value of the value of the contracts is £5,000,000, it falls below the threshold of £5,336,937 for concession contracts and therefore no implications under the CCR.

9.3 Geofenced – Lot 3

The recommendation under this report is to award a contract to HiyaCar Ltd for the delivery of Geofence Car Sharing Services for a period of four years with an option to extend for a further one year. The contract falls under the definition of a 'concession contract' within the meaning of Regulation 3 of the Concession Contract Regulations 2016 ("CCR"). As the anticipated turnover value of the contract is £1,750,000, it falls below the threshold of £5,336,937 for concession contracts and therefore no implications under the CCR will apply.

9.4 The CCR does not stipulate set procurement procedures that must be used by contracting authorities such as in the Public Contract Regulations. Therefore, the Council is free to organise any such procedure it wishes provided it complies with the requirements and principles set out in Chapter 2 of the CCR.

9.5 It is noted that the Council conducted an open style tender process resulting in the submission of one bid only for each contract. The Council is assured that the bid represents value for money for the reasons set out under Section 5.6 of this report.

9.6 The Council is not obliged to publish a Concession award notice in accordance with Regulation 32 of the CCR save in respect of Lot 1.

9.7 The Council is required to comply with the requirements of its internal procurement code which requires this award to be endorsed by CGRB and approved by Executive Leadership team member or lead member.

9.8 The Council's standard concessionaire agreement terms and conditions were published during the tender. Legal Services will assist in further finalising the terms and arranging for execution of the same by deed.

10. Consultation

10.1 As this decision affects all wards, no individual Ward Member consultation was undertaken.

11. Communications Implications

11.1 As Zipcar (UK) Ltd are the incumbent provider for the Roundtrip and Flexible car sharing service there will be no communications implications.

11.2 Geofence car sharing is a new service to the City and communications planning is a key feature of the mobilisation plan provided. HiyaCar Ltd will market the lead up to the launch of the service, and the launch itself, in order to attract new members, utilising local press and social media. They will also use a local market pitch and stage a formal event to generate local interest.

11.3 Council Officers will work with the concessionaire in order to coordinate communications planning and the Council website will be adapted in to reflect the benefits the new service offers. Internal communications will also be issued throughout the Council to ensure that departments and staff are aware of the benefits the service offers and of the concessions available.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

Damon Budds, Contracts Manager, Parking Services

dbudds@westminster.go.uk, Tel. 07800 724 252

BACKGROUND PAPERS:

Car Sharing – Cabinet Member Briefing Note – July 2022
CGRB – Gate 2 – Car Club procurement strategy – Sept 2022
CGRB Minutes Endorsing Award
Exec Director Approval

There are further background papers in Part B of this report.

APPENDICES:

Appendix A – Other Implications
Appendix B – Confidential and 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

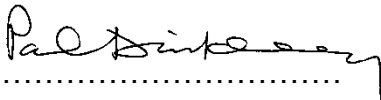
Signed:  Date: 08/03/2023

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:
Procurement of Contracts for Round trip, Flexible and Geofence Car Sharing Services

Signed 

Cabinet Member for City Management and Air Quality

Date08/03/2023

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 staffing 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.