

MINUTES OF THE MEETING OF THE CABINET MEMBER SIGNING HELD ON WEDNESDAY, 20TH DECEMBER, 2017, 10:30

PRESENT:

Councillor Peray Ahmet, Cabinet Member for Environment

202. FILMING AT MEETINGS

The Cabinet Member referred those present to agenda Item 1 as shown on the agenda in respect of filming at this meeting and asked that those present reviewed and noted the information contained therein.

203. URGENT BUSINESS

None

204. DECLARATIONS OF INTEREST

There were no declarations of interest.

205. EXTENSION AND VARIATION OF THE NUISANCE VEHICLE CONTRACT

The Cabinet Member noted the report which sought approval for the extension and variation of the Nuisance Vehicle contract with NSL Limited. The report also sought approval to vary the contract to increase the annual payment by a maximum of £28k per annum to pay for an additional abandoned vehicle inspector and performance related payments towards additional operating costs.

RESOLVED

I. That the extension of the nuisance vehicle contract be approved, for a period of two years, as permitted under the Contract and in accordance with CSO 10.021(b).

II. That approval be given for a variation of the contract as permitted under Clause 45.1 and in accordance with CSO 10.02.1(b), to increase the annual payment by £28k to cover the cost of an additional abandoned vehicle inspector and contribution towards rising operating costs, bringing the total cost to £2,843,776.

Reasons for decision

The Council was required to make provision for the removal of nuisance vehicles, which comprises of vehicles which are generally in a very bad condition

abandoned on the highway.

This contract was key to ensuring the delivery of the Council's statutory duties including the safety requirements in and around Spurs Football Ground, where it is imperative that the surrounding streets comprising the emergency evacuation routes and safety corridor are kept clear.

Additionally, this contract underpins the strategy for dealing with vehicles that have accumulated high volumes of unpaid Penalty Charge Notices (commonly referred to as Persistent Evaders) that represent a significant amount of debt; there would be no ability to deal with this category of debt without the provision of removal vehicles included as part of the contract.

The routine removal of vehicles under the Traffic Management Act also supports road safety.

Extending and varying the current contract is the recommended option, the reasons for this are provided below.

The original contract award allowed for the option to extend for two years. There were operational difficulties at the beginning of the three-year contract, in particular the council had to support the contractor in relation to the abandoned vehicle operation. This area continues to be a pressure for them, possibly due to a lack of their understanding at the bid stage about the full scale of the operation.

However, overall performance has improved, and continues to do so this year, with NSL consistently meeting the key performance indicators. The contractor has in the past raised concerns about the financial viability of this contract, and at the extension negotiations, were clear that they were unwilling to extend the contract at the same cost. Some of these cost pressures are due to them misunderstanding the scope of the abandoned vehicle side and also due to there being no provision in the contract for RPI increases, which the contractor has had to absorb.

Following negotiations between the Council and the contractor, the following payments have been proposed:

- i. The council to fund one abandoned vehicle inspector at a cost of £22k per annum to improve the efficiency of the abandoned vehicle side of the service.
- ii. An additional £6k per annum to be available to NSL via monthly payments upon achievement of all six key performance indicators in the contract, to drive overall contract performance.

While the council will be paying up to £28,000 per annum more in contract costs, the council will benefit from an adequately resourced contract, that delivers better across the piece. This will include improving further on the excellent work undertaken in relation to persistent evaders. This work supported

by NSL has resulted in the recovery of an additional £200K debt annually over the last two years.

NSL also asked for an RPI linked increase to be applied to the contract, which Haringey rejected.

Alternative options considered.

The option to terminate the contract without implementing the extension period has been rejected.

Conducting a tender for a new contract would be a time consuming exercise, and there is a risk of a drop in performance from the incumbent supplier, and from the new supplier while a new contract is established.

The council does not have a site that could be operated as a car pound, so there is no opportunity to bring the service in house.

206. NEW ITEMS OF URGENT BUSINESS

N/A

207. EXCLUSION OF THE PRESS AND PUBLIC

N/A

208. NEW ITEMS OF EXEMPT URGENT BUSINESS

N/A

CHAIR:

Signed by Chair

Date