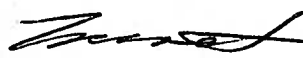


Haringey Council

Report for:	Cabinet 16 September 2014	-	Item number	
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Title:	The award of contract for the removal and disposal of Nuisance Vehicles.
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Report Authorised by:	Stephen McDonnell, Assistant Director Environmental Services & Community Safety 
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Lead Officer:	Ann Cunningham, Head of Traffic Management E-mail: ann.cunningham@haringey.gov.uk
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Ward(s) affected: All Wards	Key
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1. Describe the issue under consideration

1.1 Following the novation and extension of the Council's nuisance vehicle contract in March 2014, the extended contract expires on 30 November 2014. A retendering exercise has now been completed and this report seeks Cabinet approval to award a new contract for the delivery of this service.

2. Cabinet Member introduction

2.1 The Council has a statutory duty to manage its road network, reduce congestion, and improve road safety. The Council is also responsible for improving the quality of the local environment and for generally dealing as appropriate with Nuisance Vehicles. The enforcement activity carried out under the Nuisance Vehicle Contract is an integral part of achieving these key objectives.

2.2 This tendering exercise also delivers significant cost reductions, ensuring that the Council achieves value for money.

3. Recommendations

3.1 That Cabinet agrees

- a) The award of the nuisance vehicle contract, which includes a fully managed service for the removal and disposal of nuisance vehicles, pound provision and management to NSL Ltd for a period of 3 years from 1 December 2014.
- b) The cost of this contract over the initial 3-year period at £1,672,666.14.
- c) That this contract be awarded at a total cost of £2,787,776.09, including the provision to extend for a further 2 years, subject to satisfactory performance.

d) Other options considered

4.1 A preferred option was to secure a suitable council owned site for a vehicle pound, which could then be managed on behalf of the Council by the successful contractor. The absence of a suitable site was considered a potential deterrent to some providers, who may otherwise express an interest in this contract. Such a site could not be identified

4.2. The suitability of a council owned site at Marsh Lane (Tottenham) was considered. Following extensive discussions with relevant officers from the Tottenham regeneration team, it was decided that that this would not be the best use of that land. The service subsequently prepared tender documents on the basis of the contractor providing the pound site.

4.3 The existing contract also provides for the operation of mobile CCTV enforcement, which was outsourced as part of the tendering exercise undertaken in 2009. The options appraisal conducted prior to this tendering exercise, concluded that it was not in the Council's best interest for that service area to remain with the removal operation. It was recommended that this service should be brought back in-house and sit with the parking and traffic enforcement team. The analysis conducted, suggested that there had been no overall efficiencies gained by outsourcing. In addition, it was felt prudent in light of the proposed parking reforms (which aim to ban the CCTV enforcement of parking contraventions) not to enter into a long term arrangement for that service at this point in time.

5 Background information

5.1 The Council has operated a parking removal operation since 2004. This has worked on the basis of the contractor providing the pound site and passing those costs on to the Council.

5.2 Following an open tendering exercise the Council awarded a five year Nuisance Vehicle Removal contract to Ontime Parking Solutions Limited in 2009. This included the provision of the vehicle pound, pound management and cashiering service. It also included the personnel to deliver the mobile CCTV service. Following the Bidvest Group (parent company) acquiring a majority shareholding in the Mansfield Group, this contract was novated to the Mansfield Group in March 2014.

5.3 The existing car pound is located at the Old Gasworks site in Western Road, Wood Green, London N22 6UQ. This site will be subject to redevelopment and will not be available as a vehicle pound once this contract expires.

6 Tender process

6.1 An open tender procedure was conducted under the EU procurement rules. An advert was placed in the Official Journal of the European Union and on the Councils e-tendering portals Delta eSourcing and Compete for on the 16th May 2014.

6.2 The tender process was conducted to ensure that tenders were evaluated fairly to ascertain the most economically advantageous tender (MEAT). This involved a 2 stage evaluation of Capability, and Quality and Cost:

Stage 1 – Company questionnaire – Scored separately from the stage 2 evaluation.

Stage 2 – Quality and price evaluation – 100%

6.3 Initial stage submissions were received from three companies. One was eliminated at stage 1, as it did not achieve the minimum score required on Technical and Competency Questions, resulting in two submissions progressing to stage 2.

6.4 In terms of the evaluation criteria, the Council assessed the balance between the price and quality on the basis of price – 60% and quality – 40%.

6.5 Tenders were evaluated in accordance with the Council's instructions to tenderers by a panel of officers from the Traffic Management service, with professional advice and support provided by Corporate Procurement.

Tenderers were asked to provide a Qualitative Delivery Proposal (incorporating supporting information) and officers assessed bidders' supporting method statements. The Tender receiving the highest score out of 100 was awarded the maximum quality score of 40%.

Price assessment was based on all rates inserted by the tenderers in their pricing details. The tenderer with the lowest submitted total price received the maximum price score of 60%.

6.6 A summary of evaluations against these criteria is set out in the table below;

Company	Price Score	Quality Score	Total	Rank
NSL Ltd	60%	40%	100%	1
Tender B	32.0%	33.9%	65.9%	2

7 Comments of the Chief Finance Officer and financial implications

7.1 The cost of the recommended tender is £558k pa which represents a significant saving on the existing annual contract costs. This saving also exceeds the 2014/15

pre-agreed saving of £100k from re-tendering of contracts across the Parking service included in the 2014/15-2016/17 Medium Term Financial Plan.

7.2 The continued provision of a vehicle pound by the winning bidder means there are no capital expenditure implications from this contract award.

8 Assistant Director of Corporate Governance Comments and legal implications

8.1 The Assistant Director of Corporate Governance notes the contents of the report.

8.2 The vehicle removal services are classed as priority services under the Public Contracts Regulations 2006 (as amended) (the Regulations) and therefore it was necessary to follow a European tendering exercise.

8.3 An open tender exercise was followed as allowed for under Regulation 15 of the Regulations.

8.4 The Council now wishes to award the contract to the most economically advantageous tenderer as allowed for under CSO 9.06.1 b). Cabinet has power to approve the recommendation under CSO 9.06.1 d) (contracts valued at £500,000 or more).

8.5 The award of the contract is a Key Decision and, as such, needs to be included in the Forward Plan in accordance with CSO 3.01 d). The service has confirmed that this has taken place.

8.6 The Assistant Director of Corporate Governance confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

9 Equalities and Community Cohesion Comments

9.1 There are no particular equalities issues arising from this report. Parking and Traffic Enforcement contributes to road safety. It ensures access for all road users, in particular disabled drivers who rely on the use of specially provided disabled parking bays.

10 Head of Procurement Comments

10.1 This Open Tender process had been carried out in line with the EU Public Contract Regulations and the Council's Procurement Code of Practice.

10.2 The recommendation follows a competitive process and has tested the market to achieve a Value for Money outcome for the Council and achieve significant savings.

10.3 Contract management arrangements including monthly and quarterly reviews should ensure expeditious identification and resolution of any non compliance or service delivery issues.

11 Policy Implication

11.1 There are no particular policy issues arising from this report. Enforcement against Nuisance Vehicles supports Corporate Plan priorities and this tendering exercise delivered significant cost reductions and value for money.

12 Reason for Decision

12.1 The award of this contract requires Cabinet approval.

13 Use of Appendices

13.1 Appendix 1 – Part B exempt information.

14 Local Government (Access to Information) Act 1985

14.1 List of background documents: N/A

14.2 This report contains exempt and non-exempt information. Exempt information is contained in Part B and is not for publication. The information is classified as exempt under the following category (identified in Part 1 of Schedule 12A of the Local Government Act 1972).

