

Harborough District Council



Report to Cabinet Meeting of 10th February 2025

Title:	Car parking pay and display machine contract award
Status:	Public with exempt appendix not for publication by virtue of paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972. Having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because of commercial sensitivity of the bid information.
Key Decision:	Yes
Report Author:	Elaine Bird Head of Regulatory Services
Portfolio Holder:	Cllr Darren Woodiwiss (Portfolio Holder for Environment and Climate Change)
Appendices:	A. Procurement Assessment (Exempt)

Summary

- I. The report seeks to award the contract for the replacement of the car parking pay and display machines following the conclusion of the procurement process.
- II. The current parking machines were installed in 2017 and are coming to the end of their life and require upgrading to mitigate against the switching off of the 3G mobile network.
- III. The procurement method used for the contract was an open procedure, compliant with the Public Contract Regulations 2015 managed by Welland procurement partnership supporting the Council.

Recommendations

1. That Cabinet approves the award of a contract for replacement of the car parking pay and display machines to contractor 3 identified through the recent open procedure tender process.
2. That Cabinet delegates authority to the Director of Communities, in consultation with the Portfolio Holder for Environment and Climate Change together with the Head of Legal services to negotiate and finalise the contract, including minor variations

Reasons for Recommendations

- I. To ensure that the Council appoints a suitable contractor to replace the car parking pay and display machines
- II. The evaluation panel agreed that Contractor 3 should be offered preferred provider status based on the tenders submitted.
- III. Awarding a contract based on the tender submitted by Contractor 3 offers the best option for the replacement of the parking machines

1. Purpose of Report

- 1.1 To seek approval to delegate the award of the preferred contractor for the replacement of the car parking pay and display machines for car parks in Market Harborough and Lutterworth.

2. Background

- 2.1 The current machines were installed in 2017 and are coming to the end of their lives and with the national switch off of the 3G mobile network, it is necessary to either upgrade the existing machines or procure new machines.
- 2.2 There are known issues with the connectivity of the existing machines and following customer survey, ease of use was identified as an issue by service users.

3. Details

- 3.1 Harborough District Council resolved at Cabinet on 12 February 2024 and at Council on 26 February 2024 that the allocated budget be included in the approved Capital Programme for 2025/26.
- 3.3 It is a routine procurement exercise that represents 'business as usual' and is essential to maintain the Council's ability to provide an effective car parking service. The contract is for the provision of goods and services in respect of the supply and maintenance of 33 car parking machines in need of replacement. The tender was a mixture of card only payment machines along with standard cash & card payment machines. The split equates to 18 machines able to take cash & card payments with 15 machines being solely for card payments.
- 3.4 The tender was conducted using ESPO framework as this was deemed to be the best option as it includes several suppliers that Harborough wanted to offer the opportunity to.
- 3.5 The procurement approach is in accordance with the Public Contract Regulations 2015, and is a call off from a Framework (ESPO – Parking Management Solutions 509_23 Lot 1). The Framework itself was advertised on the Official Journal of the European Union (OJEU) OR Find a Tender Service (FTS) The procurement followed the process set out in

the tender documentation, being managed by Welland procurement partnership, supporting the Council. The procurement method used was a single stage with no short-listing. As such, the completed response document comprises the entirety of a bidder's tender submission.

3.6 On publication of the opportunity, organisations were asked to register their interest via the Council's "ProContract" e-Sourcing portal, where Tender documents were available. A total of 8 suppliers were invited to submit a bid, resulting in 3 Tender submissions.

3.7 The Award Questionnaire carries a total weight of 100%. Each tender has been evaluated based on quality and price, to determine the most economically advantageous tender. The criteria are made up of:

- Quality - 60%
- Price - 40% Details of the pricing model are included as Appendix A (exempt)

The evaluation of the price included both the installation costs of the new machines but also the on-going back office and maintenance service for the length of a 5-year contract.

Tenders were evaluated by a panel of internal officers. Three tenders were received; all of the tenders were compliant and judged acceptable by the evaluation panel, and there was consensus within the panel.

3.8 The evaluation panel, therefore, agreed that contractor 3 should be awarded preferred provider status and the installation of the car parking pay and display machines; the decision was subject to a statutory 'standstill' period of ten days. Award of the contract is subject to Cabinet approval, and agreement of the final contract.

4 Implications of Decisions

Corporate Priorities

4.1 The recommendations will enable the Council to secure value for money and financial sustainability, whilst acknowledging the importance of creating a sustainable environment and carbon reduction and allowing action to support these goals throughout the term of the contract

Consultation

4.2 Direct consultation was not undertaken as part of this procurement process, however as part of the car parking strategy review, which included payment methods for parking, views of service users were sought. Ease of use and speed of transactions were issues raised in the customer surveys.

Financial

4.3 Appendix A (Exempt) provides details of the financial implications for the Council.

4.4 The recommendation offers the best means of achieving value for money and financial sustainability for a 5-year contract period.

4.5 Year 1 of the maintenance contract is included in the installation costs.

4.6 The ongoing operational costs are to be met within existing revenue budgets for the provision of car parking. A capital sum of £107k is included in the 2024/25 capital programme.

Legal

- 4.7 The Council would lay itself open to legal challenge if it failed to comply with EU procurement directives, UK law and its own constitution.
- 4.8 Award of the contract is subject to Cabinet approval and the option of deciding not to proceed is available. However, the decision regarding the choice of provider could not be overturned without exposing the Council to a serious risk of legal challenge.
- 4.9 The Council can either award a contract to Contractor 3 or award to no provider and seek an alternate approach through undertaking a further procurement process or not replacing the existing machines but to consider replacing the internal modem of the units however due to the age and other issues relating to the useability of the machines, this option would not resolve all the issues raised by service users.

Environmental Implications

- 4.11 There are no direct environmental implications in this report.

Risk Management

- 4.12 Failure to appoint a suitable provider could jeopardise the ability to provide an effective service in the chargeable car parks.
- 4.13 Failure to resolve the operational issues with the current car parking machines could result in reputational damage over the longer term as the machine become older and more likely to fail.
- 4.14 Failure to ensure compliance with the Council's statutory and regulatory obligations would leave the Council at risk of legal challenge and would potentially have similar implications. The risks will be mitigated through an effective, efficient, and compliant procurement process.

Equalities Impact

- 4.15 The machine designs comply with BS 8300:2018 – Design of an accessible and inclusive built environment
- 4.15 The ability to pay by cash will remain in car parks.
- 4.16 The large touchscreen simplifies the transaction process for users.
- 4.17 The flexibility of the card only payment terminals means that they can be sited at locations which are convenient for all users.

Data Protection

- 4.18 The supplier complies with the PCI Data Security Standards (PCI DSS) and to ensure full compliance, the machine and the data used for analysis is completely independent of the live transactional process. The transaction data records received from the terminal are purely for reporting, auditing, receipt, and support purposes.

5 Alternative Options Considered

- 5.1 The options available to the Council are.
- Appoint Contractor 3 which is the preferred option; or
 - Not award the contract, which is not the preferred option as this would impact the delivery of the car parks in Market Harborough and Lutterworth.
 - Not to replace the existing machines but to upgrade the internal modem to ensure continued connectivity when the 3G network is switched off. This is not

the preferred options as the issues such as ease of use and the machines coming to the natural end of life will not be addressed.

6 Recommendation

- I. That Cabinet approves the award of a contract for replacement of the car parking pay and display machines to contractor 3 identified through the recent open procedure tender process.
- II. That Cabinet delegates authority to the Director of Communities, in consultation with the Portfolio Holder for Environment and Climate Change together with the Head of Legal services to negotiate and finalise the contract, including minor variations

7 Background papers

None