

## Report for: **Cabinet**

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<b>Date of Meeting:</b>	19 January 2023
<b>Subject:</b>	Parking Management IT System Replacement
<b>Key Decision:</b>	Yes – the report is significant in terms of its effects on communities living or working in an area of two or more wards of the Borough.
<b>Responsible Officer:</b>	Dawn Calvert - Director of Finance & Assurance
<b>Portfolio Holder:</b>	Councillor Anjana Patel - Portfolio Holder for Environment & Community Safety; Councillor David Ashton - Portfolio Holder for Finance & Human Resources
<b>Exempt:</b>	No, except for Appendix 1 which is exempt pursuant to paragraph 5 of Schedule 12A of Local Government Act 1972 (as amended) as it contains information relating to the financial and business affairs of the Council that cannot be released prior to public advertisement of the tender opportunity.
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Exempt Appendix 1 – Draft tender documents for a parking management system

## **Section 1 – Summary and Recommendations**

This report requests the permission to procure a replacement parking management IT system

### **Recommendations:**

Cabinet is requested to grant approval:

- 1). to commence the process to procure a replacement parking management IT system via the ESPO Parking Management Solution Framework, 509\_19, Lot 4.
  
- 2). delegate authority to the Director of Finance and Assurance, in consultation with the Portfolio Holder for Environment & Community Safety, the Portfolio Holder for Finance and Human Resources and the Corporate Director of Place, to award the new contract to the successful bidder.

**Reason (for recommendations):** The parking management IT system supports the issuing, payment and challenging of penalty charge notices for traffic offences in the borough. The current IT system is now end of life and its replacement is required to ensure we are able to continue to provide this service in the most efficient and cost-effective way

## **Section 2 – Report**

### **1 - Introductory paragraph**

The parking management IT system is used to support the operation of the parking enforcement and ticket processing office and the issuing and administration of traffic related penalty charge notices (PCN) and fixed penalty notices (FPN)

The current system supplier has informed us that they intend to leave the market, meaning that the Council will need to procure and implement a new system with a new provider.

As the current system has not seen significant development in recent years, the alternative systems on the market offer a greater level of resilience and stability as well as a variety of technical enhancements that will enable the service to operate in a more efficient and effective way.

This report proposes using the ESPO Parking Management Solution Framework 509\_19, Lot 4, as the best approach for tendering for a replacement system, providing the Council best value for money.

### **2 - Options considered**

## **To not replace the existing parking management IT system and continue with the current system**

The current supplier of the parking management IT system has informed us that they will be exiting the market and the current system we use will be retired.

This means it is not viable to continue using and upgrading the current system.

## **To procure a replacement parking management IT system, following the approach detailed in this report**

Procuring a replacement parking management IT system will ensure that we have the IT system in place to support the delivery of the parking enforcement service.

In addition, a new improved parking management system will provide the appropriate IT support to the service to deliver the MTFS budget targets

## **3 – Background**

The parking management IT system supports the issuing and processing of all parking and moving traffic contravention penalty charge notices. The IT system supports:

- The issuing of all parking/traffic related PCN's and FPN's
- The storage of images and data related to all PCN's and FPN's
- Management of appeals and representations process related to all PCN's and FPN's
- All handheld devices used by civil enforcement officers and enforcement officers
- Links to CCTV traffic enforcement
- Integration to the website and payment system to enable users to pay and challenge PCN's and FPN's

At a high level, the system supports the following volumes of work:

	<b>2021-2022</b>	<b>April 2022 to 31<sup>st</sup> August 2022</b>
PCN's issued	157,198	65,457
PCN's paid	110,554	43,281
PCN Challenges	42,660	16,310
Outgoing correspondence (excluding email replies)	204,083 (inc statutory notices 173,219)	90,705 (inc statutory notices 76,639)

The staff using the system are based across both the Finance and Parking operations team, with 70 staff in total using the system.

The parking management IT system is currently a product call Civica Civil Enforcement (CE) supplied by Civica. This has been the Council's parking management system for over 10 years. We have been informed by Civica that they are retiring the system from use and will stop supporting the system in the near future. We are one of a very limited number of Councils operating the system.

All the Civica CE handheld devices used by enforcement officers are end of life and proving difficult to support as replacements are increasingly difficult to source.

As part of the data centre exit programme, the Civica CE platform was migrated from the Council's data centre to our Azure tenancy in the Microsoft cloud. This was the only option open to the Council as the Civica CE software was not available as software as a service (SAAS) and the provider had no roadmap to develop this functionality as they plan to remove the software from service. We are the only customer running this software in the cloud and this is a risk in terms of support and resilience of the system.

### Benefits of a new system

The market for parking management IT systems is a generally healthy and competitive market. As the current Civica CE system has not seen significant development for a number of years, the move to a new system will bring with it several operational benefits in addition to better stability and resilience.

A new system will support improved operational efficiency for on street enforcement officers through enabling ANPR enforcement and increased flexibility in the use of different CCTV cameras and systems.

A new Parking Management system is a precursor requirement for any future implementation of virtual parking permits as this will require ANPR enforcement.

The evaluation of prospective suppliers will focus on ease of use for enforcement officers to improve operational efficiency, opportunities to use technology to improve service delivery and ease of use for responding to challenges and representations.

The existing customer web front end will remain as-is, and the new system will integrate directly with it.

### Parking permits

While not in scope for the initial implementation, a specification for parking permits has been included as an option within the tender.

### **Ward Councillors' comments**

N/A

## Performance Issues

There are none.

## Environmental Implications

There are none.

## Data Protection Implications

Comprehensive requirements have been included in the specification to ensure any new supplier is GDPR compliant, and robust data protection provision will be included in the contract.

Data migration will include data protection requirements.

## Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**, but will be developed as the project commences

The relevant risks contained in the register are attached/summarised below.  
**No**

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
That current hardware used by enforcement officers will be end of life before the new system is implemented	<ul style="list-style-type: none"><li>Proposed timescale for implementation is included in the tender, and bidders will be requested to provide project plan for delivery against it as part of the tender process</li><li>Officers will continue to attempt to source replacement handsets and spare parts via the resale market</li></ul>	Amber
The contract for the current system expires during 2023, meaning there is a possibility the incumbent suppliers contract expires	<ul style="list-style-type: none"><li>Proposed timescale for implementation is included in the tender which completes prior to contract expiry, and bidders will be requested</li></ul>	Amber

Risk Description	Mitigations	RAG Status
before the new system is in place	<p>to provide project plan for delivery against it as part of the tender process</p> <ul style="list-style-type: none"> <li>▪ Officers will commence discussions with current supplier to discuss short term contract extension in the case of delays to the project</li> </ul>	
The migration of data from the existing system could be complex due to existing data quality	<ul style="list-style-type: none"> <li>▪ Early development of a data migration strategy to ascertain the best approach to cleansing and migrating data</li> <li>▪ Assessment of the data to ensure that only essential data is migrated to the new system, while ensuring historic data still remains available through other means</li> <li>▪ Consideration of dual-running of systems</li> </ul>	Amber
The Council's Contract Procedure Rules and Public Contract regulations are not complied with.	<ul style="list-style-type: none"> <li>▪ The recommendation is to procure using a mini-competition process via the ESPO framework 509_19 Parking Management Solutions, Lot 4 (Civil Enforcement Systems).</li> <li>▪ This framework is fully compliant with the Public Contracts Regulations 2015 and will ensure compliance with the Council's Contract Procedure Rules.</li> </ul>	Green
Revenue and Capital costs exceed budget	<ul style="list-style-type: none"> <li>▪ the revenue cost of the new supplier is expected to be contained within the existing revenue costs of the current system, when licence, hosting and additional software costs are taken into account</li> </ul>	Green

Risk Description	Mitigations	RAG Status
	<ul style="list-style-type: none"> <li>▪ The capital costs to cover the implementation costs for both the supplier and Council have been budgeted at £550k and are already included in the IT Capital Programme previously approved by Cabinet.</li> </ul>	
<p>The system procured does not ensure that the Council continues to comply with relevant legislation, regulations, and statutory guidance governing the issuing and enforcement of Penalty Charge Notices and Fixed Penalty Notices</p>	<ul style="list-style-type: none"> <li>▪ The new system is designed to ensure compliance with all relevant legislation, regulations and statutory guidance</li> <li>▪ The specification and contract refers to all relevant legislation, regulations and statutory guidance and covers the suppliers adherence to these</li> <li>▪ The system and contract is actively managed to ensure compliance is maintained</li> </ul>	Green
<p>The system is not fully compliant with data protection legislation.</p>	<ul style="list-style-type: none"> <li>▪ The Contract terms will include robust data protection compliance terms and conditions.</li> </ul>	Green

## Procurement Implications

The recommendation is to procure using a mini-competition process via the ESPO framework 509\_19 Parking Management Solutions, Lot 4 (Civil Enforcement Systems).

This framework is fully compliant with the Public Contracts Regulations 2015 .

The framework has been used by several other London Boroughs and has all the major parking management IT system providers appointed to it. Through soft market testing, 7 of the 8 suppliers on the framework have indicated that they intend to bid, creating a healthy level of competition.

The option of a competitive Open tender process was considered, but the cost of this process was judged to not be value for money when compared to the use of the ESPO framework, and unlikely to deliver any increased level of competition.

The proposed top level evaluation criteria will be:

Quality 50%

Price 50%

Due to the nature of the tender and following consultation with Portfolio Holders and other key stakeholders it was deemed not appropriate to include social value and climate change as evaluation criteria, although all bidders will be required to sign up to the Council's Climate Commitment Charter.

## **Legal Implications**

The ESPO 509\_19 Parking Management Solutions Framework, Lot 4 (Civil Enforcement Systems) was lawfully procured in compliance with The Public Contracts Regulations 2015 and is current until 31/03/2023.

The Council can call off a contract from the Framework before the end of its term.

The Framework sets out the mini competition process to follow and the Form of Contract and Call-Off Terms are included in the tender documents. HBPL should be instructed to complete the contract documents.

The Parking Management IT System will enable the processing of significant amounts of personal data and must be fully compliant with data protection legislation. The Contract terms will include robust data protection compliance terms and conditions.

The Council must comply with the relevant legislation, regulations, and statutory guidance governing the issuing and enforcement of Penalty Charge Notices and Fixed Penalty Notices, including:

- The Traffic Management Act 2004.
- The Civil Enforcement of Road Traffic Contraventions (Approved Devices, Charging Guidelines and General Provisions) (England) Regulations 2022 (S.I. 2022/71)
- The Civil Enforcement of Road Traffic Contraventions (Representations and Appeals) (England) Regulations 2022 (S.I. 2022/576), and The Civil Enforcement Officers (Wearing of Uniforms) (England) Regulations 2007 (S.I. 2007/3485) Financial Implications



## **Financial Implications**

The revenue cost of the new supplier is expected to be contained within the existing revenue costs of the current system, when licence, hosting and additional software costs are taken into account. This information is included in the tender documentation included in the appendix.

The capital costs to cover the implementation costs for both the supplier and Council have been budgeted at £550k and are already included in the IT Capital Programme previously approved by Cabinet as part of the annual budget setting process.

The implementation of a new parking management IT system is an enabler for the MTFs budget targets in place for the parking service.

## **Equalities implications / Public Sector Equality Duty**

N/A

## **Council Priorities**

Please identify how the decision sought delivers this priority.

### **1. A council that puts residents first**

The provision of an effective parking enforcement service ensures that residents will have fair and equal access to parking facilities across the borough. Having an effective IT system to support officers in the enforcement of parking restrictions is essential to the running of an efficient service.

## **Section 3 - Statutory Officer Clearance**

### **Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 9/1/23**

### **Statutory Officer: Stephen Dorrian**

Signed on behalf of the Monitoring Officer

**Date: 10/1/23**

### **Chief Officer: Dawn Calvert**

Signed off by the Corporate Director

**Date: 9/1/23**

### **Head of Procurement: Nimesh Mehta**

Signed off by the Head of Procurement

**Date: 9/1/23**

**Head of Internal Audit: Susan Dixon**

Signed off by the Head of Internal Audit

**Date: 10/1/23**

**Has the Portfolio Holder(s) been consulted? Yes**

## **Mandatory Checks**

**Ward Councillors notified: NO, as it impacts on all Wards**

**EqIA carried out: NO**

## **Section 4 - Contact Details and Background Papers**

**Contact:** Ben Jones, Head of Digital, [ben.jones@harrow.gov.uk](mailto:ben.jones@harrow.gov.uk)

**Background Papers: None**

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**