

PART 1 - PUBLIC

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**Decision Maker:** Environment Portfolio Holder

**For pre-decision scrutiny by Environment PDS Committee on**

**Date:** 19<sup>th</sup> July 2011

**Decision Type:** Non-Urgent Executive Key

**Title:** **PARKING ICT SOFTWARE AND MANAGED SERVICE  
CONTRACT; GATEWAY REPORT**

**Contact Officer:** Ben Stephens, Head of Parking Services  
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**Chief Officer:** Nigel Davies, Director of Environmental Services

**Ward:** All

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**1. Reason for report**

To seek agreement from the Portfolio Holder to commence a tendering exercise for the Parking ICT software and managed service contract which will commence on 1 April 2012.

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**2. RECOMMENDATIONS**

That the Environmental Portfolio Holder:

- 1) Approves the tendering process for Parking ICT software, hosted and managed services; and
- 2) Approves a contract term of 4 ½ years (end date 1<sup>st</sup> October 2016), with options to extend the contract for a further 2 years.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: N/A Current cost of service provision £150k pa for 4.5 years plus 2; potential total cost £975k
  2. Ongoing costs: N/A.
  3. Budget head/performance centre: Parking
  4. Total current budget for this head: £150k p.a.
  5. Source of funding: Existing Revenue Budget for 2011/12
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### Staff

1. Number of staff (current and additional): 22 fte
  2. If from existing staff resources, number of staff hours:
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### Legal

1. Legal Requirement: Non-statutory - Government guidance.
  2. Call-in: Call-in is applicable
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Information Systems underpin all Parking related services to LBB parking customers and staff.
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

### **3. Commentary**

- 3.1. Parking Services are responsible for providing the following services - residential/business and visitor voucher permits, blue badge applications, issue of penalty charge notices and associated appeals etc, and dispensations and suspensions.
- 3.1.1 The contract with our current supplier Civica will terminate on 31<sup>st</sup> March 2012. Parking Services rely on an efficient ICT system. To continue to provide an effective service, it is essential that a good ICT system is in place.
- 3.1.2 It is proposed to offer the service as two separate packages: one for ICT software provision and the other for managed services and hosting of data servers etc. Currently both services are provided by Civica. Part of the tendering exercise will include obtaining costings from LBB to provide the hosted and managed service element via our current ICT management contractor Capita.
- 3.1.3 There will be nothing to prevent one supplier for bidding from both packages; in fact it may be financially advantageous. However, the rationale behind the packaging is to seek costings in order to test whether separate contracts may offer better value for money.
- 3.1.4 The service currently provided by Civica supports a number of Bromley's initiatives and policies, including mobile and flexible working with the ability to access all data held and maintained from any location. There is provision of a number of 'self service' modules, such as appeals on line including the ability to view photographs. Also cash and cheque handling has reduced with the provision of a fully integrated real time payment system. The current system provides facilities for automated telephone and web payments by debit/credit card. The successful service provider will be expected to demonstrate their current ability to meet these commitments and show an ability to meet the changes and opportunities in the future.
- 3.1.5 Currently all hardware including PCs, Hand Held Units used by traffic wardens, CCTV Mobile enforcement units, and office based CCTV enforcement hardware is all owned by the Council. The scope of this contract does not require the provision of such hardware as recent investment and warranties purchased are sufficient for the life of the contract.

#### **3.2 Package 1 – hosted and managed service element**

- 3.2.1 A number of years ago LB Bromley hosted a number of servers and databases at the Civic Centre, which enabled external software to be used. It was the responsibility of LB Bromley staff to maintain, upgrade or repair this hardware. Upgrades and enhancements as well as numerous changes to firewalls etc, resulted in this activity being very time consuming and often the cause for delays. Since 2005 Civica have provided this service. It is the preferred option for this arrangement to continue under the new contract for the reasons above. However, as it is not essential that the managed & hosted services and software provision are provided by the same supplier (indeed the hosted element could be done so via Capita) it will therefore be shown as a separate item in the specification.
- 3.2.2 LB Bromley staff were also responsible for ensuring that 'progression' of PCNs took place and data transfers were undertaken. For example, nightly enquires were made to the DVLA for keeper details, as well as payment data to the automated telephone line and web payment pages. All these tasks had to be done when no one was in the system which caused a number of issues. Because of these issues the preferred option is for the service provider to be responsible for these tasks.

3.2.3 The following functions will therefore make up Package 1:

- Provision of helpdesk and associated guidance and support for day to day and technical issues. Also assistance for upgrades and bug fixes etc.
- Provision to host all necessary servers, etc, in a safe and secure environment, including the responsibility for all associated management functions therein.
- Data storage and management with associated back-up and disaster recovery arrangements, including a business continuity process to ensure minimum disruptions.
- Provision of support to ensure full compatibility with LBB supported software, operating platforms and security as required.

### **3.3 Package 2 – Parking ICT software provision**

3.3.1 The key areas the software is required to support are explained in more detail below, but also need to include a solution for applications for parking dispensation and suspension, the ability to migrate all data to new software, and full reporting functionality on all data held within the system.

3.3.2 It is known that a number of suppliers offer software solutions that may assist in the management of these functions, for example, Fixed Penalty Notices, enforcement and associated processing, fault reporting etc. The systems have an identical look and feel and use the same operating platforms etc. Therefore the scope of this additional functionality and the potential benefits for the Council will be taken into consideration.

#### Penalty Charge Notices

3.3.3 Penalty Charge Notice software is required to enforce the processes and legislative requirements of the Traffic Management Act 2004 and associated legislation. The software will facilitate the initial issue of LB Bromley's approx 84,000 Penalty Charge Notices p.a., including those issued by Traffic Wardens and CCTV operators based at the Civic Centre, and those issued by the CCTV Mobile units, through to the collection of outstanding debt referred to a bailiff for collection.

3.3.4 It is essential therefore that the software can allow CCTV and traffic wardens to issue PCNs, for PCNs to be processed, and that there is an integrated scanning and document management system. It must have ability to accept online appeals and for motorists to view photographs. The software will also allow GPS tracking of traffic wardens (hardware provided), with GPRS transfer of real time data from Hand Held Computers to back office. Also there will be full integration with any mobile phone Payment system Parking Services uses.

3.3.5 Over the last year the service has seen up to a 20% channel shift from paper to on-line appeals, and the new system must build on this. LB Bromley's commitment to self service and improved access to services could result in a number of efficiencies and cost saving in this area.

#### Residential/Business and Visitor Voucher Permit Processing Software.

3.3.6 The Council is responsible for the administration and issue of more than 6,500 residential and business Permits, and the issue of 3,500 visitor voucher applications for approximately 18 Controlled Parking zones. Prompt processing and administration of applications is essential to ensure that customers are issued their permit in a timely manner and avoid receiving Penalty Charge Notices.

- 3.3.7 The system is required to scan and index all permit application & incoming post against cases/accounts. Staff require instant access to all information in order to provide a quick response to applications, telephone queries or visits to the Civic Centre. An integrated document and work management system that enables work loads to be managed and distributed is also a requirement.

#### Blue Badge application processing

- 3.3.8 The Service is responsible for the receipt and processing of in excess of 4,000 blue badge applications per year. Maintaining the database and keeping customers informed of expiry date etc. is an essential part of this function. Many Blue Badge applicants are particularly concerned about their applications. To have a system that provides easily accessible, accurate and current data to hand is crucial to maintain current service standards.

## **4 Policy Implications**

- 4.1 Providing excellent service and performance underpins the delivery of the objectives of "Building a Better Bromley". Also Parking ICT systems will increasingly support citizens to manage their own parking service needs, consistent with Bromley's Corporate Operating Principles.

## **5 Financial Implications**

- 5.1 This report refers to the Parking ICT contract which has an annual budget of £150k. The report advises on the arrangements for the retendering exercise including scope to add further services within the future contract which may have financial implications. Any potential additional costs will have to be met from within existing departmental budgets or from the savings arising from efficiencies relating to the introduction of a more effective computerised system.
- 5.2 The report refers to a 4 ½ year initial contract with options to extend for a further 2 years. Approximately 5 years reflects common practice across authorities for this type of service and provides greater flexibility considering fast moving advancements in technology, but provides enough opportunity for investment and return for the successful company. However by agreeing an initial period of 4 ½ years, the end date will be aligned with the existing Parking Enforcement Contract. This will provide scope for a possible improvement in value for money in any further tendering exercise for the Parking Service.
- 5.3 The report also requests any further variation in services be included in the proposed contract, which will require consideration of areas that could achieve better VFM. It is also proposed that the final contract will also include scope for further services to be transferred, at a later date, to the successful tenderer where there is evidence that this would secure improvements in VFM.
- 5.4 The contract start date is April 2012 and the financial impact of the retendering will be part of a detailed evaluation of the final bids. There will also need to be a financial assessment of tenderers which will mainly take into account past financial performance. A full financial evaluation will be reported to Members as part of consideration of the final bids submitted.

## **6 Legal Implications**

- 6.1 These services fall within Part A Schedule 3 of the Public Contract Regulations 2006 (telecommunications services, computer and related services) to which the full EU procurement rules apply.

## 7 Procurement Implications

- 7.1 A European compliant framework has been identified. The framework has four suitable suppliers who have been pre-qualified (negating the need for LB Bromley to repeat this separately). A 'Further Competition' mini-tender between the framework providers will be held to select the supplier.
- 7.2 Document preparation is underway, based on the template for tender specifications. A workshop has been held with key stakeholders and there has been wider consultation to ensure the service specification meets the requirements of the business.
- 7.3 The anticipated contract timeline for the Further Competition is as follows:

Tender Issue	Monday 22nd August 2011
Tender Return	Monday 19th September 2011
Tender Evaluation Complete	Friday 21st October 2011
Environment PDS	Tuesday 15th of November 2011
Award	Monday 21st of November 2011
Alcatel / Call-In Complete	Monday 5th December 2011
Contract Start	Monday 2nd April 2012

- 7.4 The possibility of a joint contract with LB Bexley has been identified through the SE London Shared Services Partnership. Scoping meetings with Bexley colleagues are scheduled for early July. Members will receive a verbal progress report at the meeting.
- 7.5 The proposed contract duration aligns this contract with the Council's parking enforcement contract. This will enable both to be tendered as a multi-lot package in 2016.

## 8 Stakeholder Consultation

- 8.1 Vinci Park, the current enforcement contractor, and the Council's Customer Contact Centre, both users of the existing software, have been consulted and have no concerns.

## 9 Key Issues/Risks

- 9.1 There is a risk that when we seek interest there will be insufficient qualified service providers interested in bidding thus reducing the competitiveness of the process. Recent discussions with major service providers indicate that this may not be an issue.
- 9.2 Another risk may be that, even if there is sufficient interest from qualified service providers, the current economic climate may make the financial stability of some service providers questionable. Each interested service provider's financial security will be investigated as thoroughly as possible.
- 9.3 There is always a concern that should the incumbent service provider, Civica, be unsuccessful there could be a decline in the level of service delivery from announcement to the commencement of the new contract, and in helping to facilitate due diligence and the transitional arrangements. It is thought that Civica would act professionally should it be unsuccessful but that the situation would need careful management.

<b>Non-Applicable Sections:</b>	Personnel implications
Background Documents: (Access via Contact Officer)	Parking and Enforcement Plan

