



City of Westminster

# Cabinet Member Report

<b>Decision Maker:</b>	Cabinet Member for City Management and Air Quality
<b>Date:</b>	21 December 2022
<b>Classification:</b>	<p>For General Release save for Appendix A, B and C are currently exempt from disclosure on the grounds that:</p> <p>(i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>
<b>Title:</b>	Award of the Parking People and Resources Contract
<b>Wards Affected:</b>	All Wards
<b>Policy Context:</b>	Procurement of Parking Contracts
<b>Key Decision:</b>	Key decision due to significant expenditure, and impact on all wards.
<b>Financial Summary:</b>	<p>The total sum in this report for which approval is sought is £30.816m for the period 1 April 2023 to 31 March 2027. There is an option to extend for an additional two 2 year periods (costs to be determined during 2026 for any extension option, but based on proposed annual costs for years 1-4 the value of all extensions would be circa £30.474m, giving a total potential contract value of £61.290m.</p>

**Report of:**

Jonathan Rowing, Head of Parking

## **1. Executive Summary**

- 1.1. This report sets out the procurement process conducted, the evaluation and rationale for recommending the successful tenderer, and to proceed to award of contract for the delivery of on street people and resources within parking.
- 1.2. The contract is planned to commence on 1st April 2023 for a period of 4 years with the option to extend for a further period of 2 + 2 years (4+2+2) so potentially a full term contract of up to 8 years.
- 1.3. The People and Resources (P&R) contract provides a flexible pool of skilled resources for deployment to manage the kerbside space. The Council determines the level of resources required and times of deployment, while the Service Provider manages these resources and the day-to-day operation.

## **2. Recommendations**

- 2.1. Appendix A, B and C of this report be confidential pursuant to paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of tenderers for the contract which is the subject of this report.
- 2.2. That the Cabinet Member for City Management and Air Quality approves the recommendation to award a contract for the provision of people and resources within parking to Marston (Holdings) Limited for an initial period of four years with an option to extend the term by two consecutive 2 year periods for the total contract sum of up to £61.290m.
- 2.3. That capital expenditure of £0.320m for contract mobilisation be approved.

## **3. Reasons for Decision**

- 1.1. The tender submitted by Marston (Holdings) Limited for providing the people and resources service was the highest scoring bid.
- 1.2. The supporting information provided in the submission gave the Council the necessary assurances that the supplier understood the requirements and that

the supplier's submission for people and resources would meet the required standards. Marston (Holdings) Limited bid accordingly achieved the highest quality score.

- 1.3. The current parking contracts are due to expire in March 2023, and in order for the Council to provide continuation of services it was necessary to reprocure this service. The award of the People and Resources Contract is the second phase of the wider re-procurement of Parking Services contracts which commenced with the Parking Technology Contract in December 2021.

## **2. Background, including Policy Context**

- 2.1. A detailed review of the existing parking contract structure was undertaken. NSL Limited have provided parking services to Westminster since 2003 with core services delivered through 2 main contracts (Business processing and People and resources). NSL were acquired by Marston (Holdings) Limited in 2017 and since that time contracts have been novated to Marston (Holdings) Limited. Both contracts are due to expire in April 2023. This procurement is a direct replacement of the existing P&R contract.
- 2.2. The award of the Contract will contribute to Fairer Westminster vision with particular regards to the Fairer Environment objectives. The over-arching aim of the parking service and contracts is to ensure traffic regulations are being followed which in turn will decrease congestion and contribute to decreasing vehicle emissions overall. The new contract stipulates all vehicles used by the supplier must be zero emissions which particularly contributes to the Fairer Environment objectives. 10% of the total evaluation score was attributed to responsible procurement aligning with the Fairer Council responsible procurement objective.

## **3. Award of Contract**

### **3.1. Tender Process**

- 3.1.1. Following the endorsement of the Procurement Strategy at the Commercial Gateway Review Board (CGRB), and approval from the Executive Director of Environment and City Management the recommendation was to undertake a restricted procurement process with 2 stages.

### **3.2. Stage 1 – Selection Questionnaire**

- 3.2.1. A Selection Questionnaire (SQ) was used to assist with selection of suppliers to be invited to submit a tender at Stage 2 and contain criteria covering:
  - Grounds for mandatory exclusions

- Economic and financial standing
- Technical and professional ability

3.2.2. Selection criteria focused on supplier’s experience and track record to identify suitably qualified and experienced suppliers capable of providing the Council’s requirement.

3.2.3. Some of the selection criteria such as financial standing were assessed on a pass / fail basis, others were scored in line with the selection criteria provided below.

	<b>Selection Question Heading (and sub section where specified)</b>	<b>Proposed Weighting (100%)</b>
<b>1</b>	<b>Resources - CEOs</b>	<b>30%</b>
<b>2</b>	<b>Relevant Experience</b>	<b>40%</b>
<b>3</b>	<b>Partnership working</b>	<b>30%</b>

3.2.4. Upon the deadline, the Council received three bids at SQ stage from Marston (Holdings) Limited, Bidder X and Bidder Y. The detail of the tenderers is set out in Appendix A. All three tenderers were found to be compliant and appropriate in terms of their scoring versus evaluation criteria and, as the numbers of bidders was below the limit of 5, all were recommended to proceed to ITT stage.

### **3.3. Stage 2 – Invitation to tender**

3.3.1. The Invitation to Tender was issued to all shortlisted tenderers with a tender deadline of 3 October 2022. Upon closing, the council received three tenders from Marston (Holdings) Limited, Bidder X and Bidder Y.

### **3.4. Evaluation Process**

1.1.1. Following compliance checks, the Technical Tender submissions were made available to the selected Evaluators. Evaluators were assigned specific questions to evaluate. The tenders were evaluated on the following award criteria:

<b>Technical Questions Evaluation Criteria</b>	<b>Weighting</b>
<b>Total</b>	<b>50.00%</b>
<b>Resource Management</b>	<b>15.00%</b>
<b>Service Provision and Quality</b>	<b>10.00%</b>
<b>Service Support</b>	<b>5.00%</b>

<b>Managing Change</b>	<b>2.50%</b>
<b>Risk Management</b>	<b>5.00%</b>
<b>Mobilisation</b>	<b>2.50%</b>
<b>Responsible Procurement</b>	<b>10.00%</b>
<b>ICT 3<sup>rd</sup> Party Assurance</b>	<b>Pass/Fail</b>

<b>Commercial Questions Evaluation Criteria</b>	<b>Weighting</b>
<b>Contract price (Years 1-4 Evaluated)</b>	<b>50.00%</b>

1.1.1. Social Value is now firmly part of the Council's wider Responsible Procurement policy. The Responsible Procurement Officer has provided set questions that allow providers to evidence meeting corporate standards on a number of fronts. Questions that providers must evidence in this proposed procurement include:

- How will they overcome barriers to recruiting locally into Parking Enforcement. This is for recruitment at all levels- not just CEOs, so including management and supervisory roles.
- How will they evidence recruitment at all levels from our local residents
- What specific measure they have in place to reach excluded and priority groups (including care-leavers, long-term unemployed, those with disabilities or mental health challenges, refugees etc)
- How they will make their roles flexible for those with caring or other such obligations
- How they will address pay gaps for genders or ethnicities that may exist at all levels in their sector. What steps they are going to take with concrete measures and timelines.
- How they manage a responsible procurement supply chain across all aspects of their business.
- How they will reduce carbon emissions from their fleet, buildings, and service delivery.
- What training, sponsorship, employment, experience, they can provide to the local community to ensure that all sectors of the local community benefit from the Council's spend on the service.
- How they will invest spending into local businesses to procure services locally as part of their supply-chains; especially from small local business and those supporting previously excluded sectors of the community

## **1.2. Evaluation Results**

1.2.1. The evaluation results can be found in Appendix A.

## **1.3. Recommended Bidder**

1.3.1. Marston (Holdings) Limited is the recommended bidder.

1.3.2. Further recommended bidder information can be found in Appendix A.

## **6. Financial Implications**

### **1.1. Revenue Budgets and Anticipated Savings**

1.1.1. Parking Services have annual revenue budgets totalling £14.135m in respect of their existing People & Resources; Business Processing & Technology; and Vehicle Relocation contracts.

1.1.2. Parking have an MTFP commitment of £0.500m in 2023/24 to be delivered through the combined re-procurements.

1.1.3. The new suite of Parking contracts are expected to be delivered within the revised budget, meeting the MTFP commitment.

### **1.2. Capital Budgets and Funding**

1.2.1. The approved capital programme includes budgets totalling £3.650m in respect of the implementation of the new contracts.

1.2.2. The one-off costs associated with mobilisation of the People & Resources contract are £0.320m.

1.2.3. The overall implementation and mobilisation cost of the parking contracts is estimated at £3.624m. This is within the total capital envelope for the procurements of £3.650m.

Further financial information can be found in Appendix A.

## **7. Legal Implications**

1.1. The recommendation in this report is seeking approval of a contract award to Marston (Holdings) Limited (Company No. 04305487) for the delivery of people and resources of parking services (“the Services”).

1.2. The Services have been procured via competitive restricted procedure in accordance with regulation 28 of the Public Contracts Regulations 2015 (“the PCR”).

1.3. The contract term will be from 1 April 2023 to 31 March 2027 with the option for the Council to extend the term by two consecutive 2 year periods.

1.4. The Council has a statutory duty under the Local Government Act 1999 to obtain and achieve best value when procuring services which is in the

interest of public spending. This has been achieved by carrying out a competitive tender process.

1.5. Prior to the commencement of the Services, the Contract must be executed with the service provider under the terms set out in the tender documents and Legal Services' support and assistance should be sought to ensure this takes place.

#### **8. Carbon Impact**

3.1. A Carbon Impact Assessment is not possible for this proposal as it only involves the re-let of the contract, rather than any policy change. Whilst the objective of the parking service is to positively affect congestion and air quality on streets, this is not possible to quantify.

#### **4. Equalities Impact**

1.6. An equalities impact assessment has been carried out for the award of this tender. No significant impacts on any protected groups have been identified as a result of this proposal.

**If you have any queries about this Report please contact:**

Jonathan Rowing (Head of Parking)

## **APPENDICES**

**Appendix A - Other Implications – Exempt from Publication**

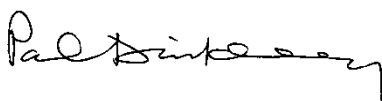
**Appendix B - CGRB Gate 3 Overarching Strategy Report – Exempt from Publication**

**Appendix C - CGRB Gate 3 People and Resources Report – Exempt from Publication**

*NB: For individual Cabinet Member reports only*

For completion by the **Cabinet Member** for City Management and Air Quality  
**Declaration of Interest**

I have <no interest to declare / to declare an interest> in respect of this report

Signed:  Date: 21/12/2022  
NAME: **Councillor Paul Dimoldenberg**

State nature of interest if any:

*(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)*

For the reasons set out above, I agree the recommendation(s) in the report entitled Award of the Parking People and Resources Contract and reject any alternative options which are referred to but not recommended.

Signed: 

Cabinet Member for City Management and Air Quality  
21/12/2022

Date: \_\_\_\_\_

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant



considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.