

Waverley Borough Council

Report to: Executive

Date: 5 March 2024

Ward(s) affected: All Wards in Waverley

Report of Director: Dawn Hudd, Strategic Director for Place

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Report Status: Open

Key Decision: Yes

Off Street Parking Enforcement Contract

Executive Summary

- 1.1. Waverley's current contract with Marston Group, NSL, for off-street car park enforcement ends on the 31st of March 2024.
- 1.2. The Council is currently in the process of developing a business case for the long-term provision of car parking enforcement. To allow time for the development of business case and to explore service options including any tender and TUPE requirements, the current NSL Contract needs to effectively be extended for six months.

- 1.3. Advice has been received from both legal and procurement that this short contract is possible under the procurement rules as the value is under £214,904.

2. Recommendation to Executive

- 2.1 That the Executive approves:
 - I. the segregation of cash collection and enforcement services.
 - II. a short term six-month contract with Marston Group Ltd, NSL, for the provision of enforcement services only at a quoted value of £163,320, to allow time for the development of a business case for a long-term solution.
 - III. to delegate authority to the joint executive head of Commercial services to agree the final terms of cash collection services as long as the value of such contract falls below the key decision and non key decision threshold and subject to there being a waiver granted by the s151 officer.

3. Reason(s) for Recommendation:

- 3.1 The current contract expires on the 31st of March 2024 and the procurement timelines are too tight to achieve an effective tender.
- 3.2 The proposed six-month contract allows sufficient time for the Council to develop a business case which includes exploration of the potential to collaborate with Guildford Borough Council who currently run their off-street enforcement service in house.
- 3.3 The contract for cash collection will be under assessment and awarded upon grant of waiver by section 151 officer. The estimated value of the contract for cash collection services on its own is 65K per year.

4. Exemption from publication

- 4.1 Not exempt from publication

5. Purpose of Report

- 5.1 To agree to effectively a six-month extension of the current off street enforcement contract with NSL to allow the opportunity for a full tender exercise to take place whilst also enabling Waverley to explore the collaboration opportunity with Guildford Borough Council.

6. Strategic Priorities

- 6.1 Car parking is an integral service for the council offering facilities that are widely used by the residents of Waverley and beyond. It generates a significant income stream for the Council which requires enforcement officers to ensure compliance with parking rules in Waverley's car parks.
- 6.2 Collaboration with Guildford Borough Council is a strategic priority of the Council.

7. Background

- 7.1 The service is based on a team of 8 (7 FTE) Compliance Enforcement Officers (CEOs) who work an ad-hoc rota around the Borough to monitor and enforce compliance when parking in Waverley's car parks. To encourage compliance, they issue a Penalty Charge Notice (PCN).
- 7.2 NSL have delivered the contract on behalf of Waverley Borough Council since March 2014, which the contractor has operated effectively throughout this period.
- 7.3 The contract with NSL ends on the 31st of March 2024.

8. Consultations

- 8.1 Consultation will be required with the current NSL enforcement officers and NSL.

9. Key Risks

- 9.1 That NSL do not agree to a short-term contract to allow the tender of a longer-term contract. The arrangement with NSL would then cease on the 31 March 2024. This has been mitigated by meeting NSL regularly to update them on the process and they understand the reasoning for a short-term contract. They are also keen to tender for the new longer-term contract so want to work with Waverley.
- 9.2 The short-term contract with NSL is challenged. We will ensure that the value of the contract sits below the PCR procurement threshold so cannot legally be challenged.
- 9.3 If contracts are allowed to expire this would directly affect the Council's income of approximately £1.5m per annum.
- 9.4 Potential risk of cash being left in machines longer than previously expected time frames. Finance have been made aware and this risk will continue to be reviewed as the contract progresses.

10. Financial Implications

- 10.1 The current contract costs for both enforcement and cash collection £388,728 per annum, or £32,393.54 per month.
- 10.2 The contract, because of its short-term nature, comes at a cost of £163,620. This is more expensive than the current contract (for the enforcement part only) reflecting the short-term as well as the increased cost on service since original tender and the nature of the arrangement.

- 10.3 Although more expensive than the current contract it does allow time for an effective procurement exercise to be undertaken. This will ensure the most competitive financial arrangement for the longer-term contract.
- 10.4 As this is over the current budget for six months, we would look to make savings on the long-term contract or with collaboration to balance the loss. The business case will look fully into the costs of the service and will be covered in the future report.

11. Legal Implications

- 11.1 The current contract is dated 6th March 2014 commencing on the 31st of March 2014 for a period of 5 years. There was an option to extend the original contract for a further period of 5 years. That option has since been exercised with the expiry date being March 2024. There is no provision to extend further.
- 11.2 The report is seeking approval for a short-term award of contract to NSL for the provision of enforcement services only. The value of the proposed contract is quoted at circa £163,620. This value places the proposed contract out of scope of Part 2 Public Contracts Regulations 2015 (PCR 2015) (currently, £214,904 for services). There is, however, an obligation on the Council to comply with Chapter 8 PCR 2015 (below threshold procurement). That obligation can be complied by following the procedure set out in the Council's Procurement Regulations (CPR). The CPR provides that in certain circumstances, a waiver of the rules can be granted, thereby, allowing, direct award of contract. Therefore, to proceed with a direct award to NSL, a waiver must be obtained from section 151 to that effect.

The decision to award is therefore, a key decision.

Legal must be consulted for the purposes of preparation and issue of the deed of extension.

11.4 The value of the proposed contract for cash collection is estimated at circa £65k per year. This value places the proposed contract out of scope of Part 2 PCR 2015. The value of the proposed contract also places it out of scope of key decision threshold. Award of the contract for cash collection must be in full compliance with CPR in order to meet the requirements of Chapter 8 PCR 2015. Again, the CPR allows for grant of waiver in certain circumstances. Section 151 can grant such a waiver where conditions for such grant is met.

This is therefore, not a key decision.

Legal must be consulted for the purposes of preparation and issue of such contract to GBC.

12. Human Resource Implications

12.1 Waverley's HR team confirmed on the 22nd of January 2024 that, other than potential TUPE [of NSL staff] there is nothing further from an HR perspective.

13. Equality and Diversity Implications

13.1 N/A

14. Climate Change/Sustainability Implications

14.1 N/A

15. Overview & Scrutiny comments

15.1 N/A

16. Suggested issues for overview and scrutiny

16.1 N/A

17. Summary of Options

17.1 The options are to either approve the recommendations within this report, or to try and find alternative arrangements for the cash collection and car parking enforcement from 1st April 2024 until the longer-term contract can be retendered.

18. Conclusion

18.1 We ask that the Executive approves: a short six-month contract with Marston Group Ltd, NSL, to allow time for the development of a business case for a long-term solution.

18.2 Remove the cash collection from the current contract with NSL and collaborate with GBC.

19. Background Papers

19.1 None

20. Appendices

20.1 None

Please ensure the following service areas have signed off your report.
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Service	Sign off date
Finance / S.151 Officer	13/02/24 – NSL enforcement 13/02/24 – Cash collection (conditional)
Legal / Governance	01/02/24
HR	22/01/24
Equalities	N/A
Lead Councillor	19/1/24
CMB	1/02/24 report deadline 06/02/24 sign-off
Executive Briefing/Liaison	15/02/24 5pm report deadline 20/02/24 briefing
Executive Decision	22/02/24 report deadline 05/03/24 decision date
Committee Services	26/2/2024