

 the low tax borough	London Borough of Hammersmith & Fulham CABINET 13 MAY 2013
EXTENSION OF CONTRACT FOR THE PROVISION OF A VEHICLE REMOVAL SERVICE AND OPERATION OF A CAR POUND	
Report of the Cabinet Member for Transport & Technical Services - Councillor Victoria Brocklebank-Fowler	
Open Report	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Nigel Pallace, Executive Director, TTS	
Report Author: Osa Ezekiel, Assistant Head of Parking Services	Contact Details: Tel: 020 753 3264 E-mail: osa.ezekiel@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. The existing contract for a vehicle removal service and the provision and operation a car pound is with Ontime Parking Solutions Ltd and expires on 31 May 2013. The contract was for a term of 5 years from 1 June 2006 with an option for the council to extend on an annual basis for a maximum of two further years on all the same terms and conditions. It was extended for 1 year to May 2012 and for a final year to May 2013.
- 1.2. Officers tried to arrange a bi-borough tender for the services, but this was not possible. RBKC are tied into their existing contract and are about to extend it for about three years. H&F therefore has tender on its own. It is proposed to tender for a three year contract which will enable H&F and RBKC to jointly tender in the future. It is not envisaged that a new contract will be in place before January 2014.

- 1.3. Permission is therefore sought to continue with the current contract with Ontime Parking Solutions Ltd on the existing terms and conditions until a new contract scheduled to start by January 2014 is in place.

2. RECOMMENDATIONS

- 2.1. That approval be given to waive the provisions of Contract Standing Orders requiring the Council to obtain three tenders and to note that negotiations have taken place with the current provider to provide continuing support until the new contract starts by January 2014.
- 2.2. That the contract for the removal of vehicles and the provision and operation of a car pound with Ontime Parking Solutions Ltd be continued on the existing terms and conditions until the commencement of the new contract which is scheduled to start by January 2014, at a notional value of £427,000¹ for seven month period commencing 1 June 2013 until 31 December 2013.

3. REASONS FOR DECISION

- 3.1. There is insufficient time to conclude the ongoing tender exercise before the current contract ends on 31 May.

4. INTRODUCTION AND BACKGROUND

- 4.1. Officers tried to arrange a bi-borough tender for the services, but this was not possible. RBKC are tied into their existing contract and are about to extend it for three years. H&F therefore has tender on its own. It is proposed to tender for a three year contract which will enable H&F and RBKC to jointly tender in the future. It is not envisaged that a new contract will be in place before January 2014.

5. PROPOSAL AND ISSUES

- 5.1. H&F need to ensure that the current contract for the provision of the services continues until a new contract is in place by January 2014.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The only alternative to continuing the existing contract is to let it lapse. This would be extremely disadvantageous to the Council as it would mean a loss of the ability to enforce parking restrictions requiring removal and relocating of vehicles until a new contract is in place.

¹ Based upon current monthly invoices.

- 6.2. Having a removal and relocation capability is vital to the Council's parking enforcement regime.

7. CONSULTATION

- 7.1 Not applicable.

8. EQUALITY IMPLICATIONS

- 8.1. Under the Equality Act 2010, the Council must consider its obligations with regard to the Public Sector Equality Duty (PSED) when discharging its functions. In this case, officers are seeking Cabinet approval to extend a contract for the removal of vehicles and the provision of a car pound under the terms of contract. As such, there are no direct equality implications for consideration, and the Council recognises that it remains the responsible body for the service. The contractor would need to take needs into account when providing the service, for example, ensuring that there is adequate access to the vehicle pound for disabled people

9. LEGAL IMPLICATIONS

- 9.1. It is noted that the current contract for vehicle removal service and the provision and operation a car pound is due to expire on 31 May 2013. There is no provision in the contract to extend. It is noted that a procurement process is currently underway for a new 3 years contract which has been delayed for the reasons set out in this report. The new contract is not expected to be in place until January 2014.
- 9.2. It is recommended that the current contract be varied to allow for an extension to cover the transitional period.
- 9.3. Implications completed by Catherine Irvine, Principal Contracts Lawyer
Telephone: 020 8753 2774.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. This report seeks approval to continue with the existing arrangements with Ontime Parking Solutions Ltd until a new contract is in place in January 2014. The estimated cost of this seven month period is £427k.
- 10.2. The terms and conditions for the extended period will not change. Therefore, there will not be any additional costs incurred and the extended period will be funded from the existing revenue budget for removals.
- 10.3. Implications verified/completed by: Amit Mehta, Accountant 020 8753 3394.

11. RISK MANAGEMENT

11.1. Not applicable.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1. The Council's Parking Services has sought to work with RBKC in developing a jointly commissioned a Vehicle Removal Service and Operational Car Pound. Due to existing arrangements that RBKC has with its own service provider (outlined in the report) it has not been possible to jointly procure a new service. The recommendation is to continue with existing arrangements as a stop-gap measure so that the current procurement exercise can be concluded with view to awarding a new contract starting in January 2014.
- 12.2. The Council's Contract Standing Orders and Financial Regulations require authority from Cabinet to be given vary an existing contract where the monetary implications indicate that the variation will be above the Key Decision threshold. In this instance it expected that the variation to this contractual arrangement will be in the region of £427,000.
- 12.3. The Director, for the reasons outlined in the report, agrees with the recommendations contained in this report.
- 12.4. Implications completed by Alan Parry, Procurement Consultant,
Telephone: 020 8753 2581

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Contract documents (exempt)	Osa Ezekiel, 3264	TTS