

Part A - Report to CABINET

Approval to extend the Parking Contract with NSL

Portfolio Holder:

Cllr Arooj Shah, Leader of the Council and Cabinet Member for Reform & Regeneration

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Reason for Decision

Oldham Council are working with a parking consultant to review the Parking Enforcement Contract with NSL to ensure the council are getting value for money and carrying out all the services within current legislation. The review by industry experts will allow the Council to benefit from good industry practices and maximise the services provided to Oldham residents. To deliver these benefits additional time is needed to ensure all aspects of the service have been reviewed. An extension to the existing Parking Enforcement Contract with NSL is required to deliver the review and then, depending on the outcome, the retender of the external contract, depending on the outcome of the review.

Executive Summary

The current Parking Enforcement Contract with NSL is due to expire in June 2024. To ensure that the Council are receiving value for money it would be prudent to conduct a service review to explore whether it would be appropriate to bring the service in house or if the Council should continue with an external contractor. To do this, the existing Parking Enforcement Contract with NSL needs extending to allow the council to work with industry experts (Parking Matters) and review the current service provision and potentially to support the writing of a tender for future parking services in Oldham.

Recommendations

The recommendation is to approve the extension to the Parking Enforcement Contract with NSL for a period of 12 months to allow the service review to ensure the council improve the parking service in future for Oldham Residents.

Approval to extend the Parking Contract with NSL

1 Background

- 1.1 NSL have operated the parking services and enforcement contract throughout the Borough of Oldham since 2004 and subsequently entered into a Managed Service Agreement on 25th June 2009 for a 10-year period, with the potential to extend the agreement for a further 5 years subject to satisfactory KPI performance. Monthly meetings are held with NSL to monitor their KPI's and as a result they have had their contracts extended to the full term of their original contract which expires 25th June 2024.
- 1.2 Parking Matters are team of industry experts who have been engaged to review the current operating model of the service and advise the council on the options for future delivery to ensure that value for money is achieved from any contract as well as driving potential sources of income. The current contract with NSL must be extended to allow time for the service review and recommendations to be implemented. The council will work closely to look at every aspect and will include items that have been flagged by the parking team as issues such as specialised IT systems, school crossing patrol and variable time enforcement to be more proactive rather than reactive. Using innovation will increase cost effectiveness and make the council operationally more effective.

2 Current Position

- 2.1 The Parking Service are working with consultants to review the Service, examining various options of delivery to maximise the potential for Oldham. The review will determine options and a recommendation, which is likely to be to either bring the service in house or re-tender the contract. Both the review and the preparing a tender will take time, and it is therefore necessary to extend the current Parking Enforcement Contract. By extending the contract will provide a professional impartial view of how the council are delivering the parking service in line with other authorities and professional expertise as they have much wider knowledge and experience in this field. They will identify points for improvement to include new technologies and legislation changes since the last time the contract was tendered.
- 2.2 In order to help with these timescales the parking service would need to seek an extension to the existing NSL contact, but in summary, there are two options which are explained below:
- To modify and extend the contract with NSL for 6 months to allow the extra time to work with Parking Matters to review the full service and then have sufficient time to either re-tender Parking Enforcement Services or bring the services in house once the recommended option is clear. Oldham Council will start to look at Moving Traffic offences over the next few months and it could be detrimental if this started and then had to break and change the enforcement team halfway through implementation. This would be subject to NSL agreeing an extension. The value of this extension would continue to be paid from the parking budget.
 - To modify and extend the contract with NSL for 12 months as this would have more benefit to NSL and it would enable the Council to either re-tender Parking Enforcement Services or bring the services in house and allow adequate time to seek full Council approval for the arrangements. Moving Traffic offences will increase the work carried out by the enforcement team and a 12-month extension would help in mobilising and ensuring this is running smoothly. The costs of this 12-month extension to contract would covered by the parking budget already set. This is preferred course of action.

3 **Options/Alternatives**

3.1 **Option 1**

Do nothing – Tender the contract without a service review and this would not give the overall benefits of a new way of working for Oldham Council nor learning from Industry Standards.

3.2 **Option 2**

Extend the current Parking Enforcement Contract with NSL for a period of 6 months as per the detail above. This is not beneficial to NSL, and they would have to agree to this way forward. This may impact on implementation of Moving Traffic as it would be in infancy stage if the council extended for 6 months only.

3.3 **Option 3**

Extend the current Parking Enforcement Contract with NSL for a period of 12 months which would be more beneficial to NSL and allow them to manage the contract fully while Oldham Council carries out the full review of the service. This option will benefit Oldham in the long term as it will allow the council to implement Moving Traffic and be in a position where any teething troubles will be dealt with through the same enforcement team.

4 **Preferred Option**

4.1 The preferred option would be Option 3 which would allow the council plenty of time to work with the Parking Consultant, implement Moving Traffic enforcement and review the full parking service for Oldham.

5 **Consultation**

5.1 Oldham Council Parking Team who manage the current contract.
NSL who provide the service currently.
Oldham procurement team to look at options for using the Parking Consultant and extending the contact.
Parking Matters

6 **Financial Implications**

6.1 Contained within the Part B Report (John Hoskins)

7 **Legal Implications**

7.1 Legal Services supports the recommendation based on the comments provided in the Report and by the Procurement team. Rational has been made for the extension and exemption in compliance with the Council's CPR and Public Procurement Regulations.

(Sukie Kaur – Solicitor)

8. **Co-operative Implications**

8.1 None. The proposals relate to the extension of an existing contract.

(Amanda Richardson)

9 **Human Resource Implications**

9.1 None

10 **Risk Assessment**

- 10.1 The service wishes to appoint a contractor to assist with options in relation to the parking services. There are financial and technological risks in going to tender without full knowledge of the scope and changes available to the service since the last tender and this will enable the tender to provide an enhanced and value for money service to the Council. The contract is due to expire in June 2024, the contract should be checked to see whether it is possible to provide a further extension under the current arrangements or whether the appointment of a parking consultant can be expedited and a report provided with enough time to consider the procurement in line with the contract expiry date. Consideration to the procurement risk is provided in the legal and procurement comments.

(Vicki Gallacher - Head of Insurance and Information Management)

11 **IT Implications**

- 11.1 IT supports the recommendation based on the comments provided in the report. The length of time to review, assess and implement any new IT system(s) and/or interfaces where applicable should not be underestimated and therefore the longer period is recommended.

(Lindsey Al-Basri – Head of IT Projects)

12 **Property Implications**

- 12.1 There are no direct implications for the Council's assets from extending the NSL contract. However, the parking review is a critical piece of work to determine the council's options for driving up income from the car parking assets and that parking service is delivering against the corporate objectives.

(Katy Webster AD – Property & Projects)

13 **Procurement Implications**

- 13.1 The current contract with NSL Ltd does not have any further extension periods available so should the recommendation be approved, the modification process as outlined at clause 17 of the Council's Contract Procedure Rules should commence. Under clause 17.1(e) modifications are permissible provided it is not substantial within the meaning of Rule 17.2. The modification proposed does not meet the criteria in rule 17.2 particularly clause (f) where increases to the contract value are not permissible by more than 10%.

Going forward the Commercial Procurement Unit will support the Car Parking team in the forthcoming tender process for a new service provider ensuring the procedure is in line with the Council's Contract Procedure Rules and Public Contract Regulations 2015.

(Emily Molden)

14 **Environmental and Health & Safety Implications**

- 14.1 No environmental comments required

(Andrew Hunt)

14.2 Health and Safety critical documentation such as previous convictions or enforcement notices, risk assessments, safe systems of work etc. have not been assessed by the health and safety service as these checks must be undertaken by the relevant project manager. The Health and Safety Team can be contacted for advice if needed.

(Samantha Cox)

15 **Community cohesion, including crime and disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**

15.1 None.

(Lorraine Kenny, Head of Community Safety Services)
(Natalie Downs, Stronger Communities Manager)

16 **Equality Impact Assessment including implications for Children and Young People**

16.1 Completed and attached as appendix A

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 NEI-01-24

19 **Background Papers**

19.1 No background papers to this report

20 **Appendices**

20.1 Appendix A – Impact Assessment