

Name of Decision: Director of Communities, Environment and Central	DATE: 24 July 2024
TITLE: Variation of Imperial Civil Enforcement Solutions Limited Contract	WARD (S): All
CHIEF OFFICER: Director of Communities, Environment and Central	CABINET MEMBER Climate Change, Environment and Transport
DECISION CLASSIFICATION Key Decision – published on forward plan on Friday 17th May 2024 Subject to call-in Non-exempt	IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING? Yes

I. Decision required

This report makes the following recommendations to the decision-maker:

- I.1 To approve the variation to the original value of this contract with Imperial Civil Enforcement Solutions Limited (company registration number 2023383) pursuant to CSO 33.1, which requires approval where the variation is more than 10% of the original contract value.
- I.2 To note that the value of the variation is £792,956.66 and will increase the original value of the contract from £1,500,000.00 to £2,292,956.66 until its expiration on 31 March 2025 to enable the use of the system and support service. This equates to an increase of 53% compared to the original value of the contract.
- I.3 To note that this is a key decision because the value of the variation is over £500,000.00.
- I.4 To approve the extension of the current contract with Imperial Civil Enforcement Solutions Limited (company registration number 2023383) for the provision of parking services systems and support for a period of one (1) year, from 1st April 2023 until 31st March 2025.
- I.5 To note that the contract was initially awarded in 2019 for a three-year period with an option of two extension periods of 12 months (3+1+1). The first 12 months extension was utilised from 1st April 2023 to 31st March 2024. The contract was awarded originally through a mini-competition using Lot 4 of the ESPO Framework 509_19 Lot 4.

- 1.6 To note that a procurement exercise is currently being planned and a new contract for the service is scheduled to be awarded by March 2025. The new contract is expected to commence in April 2025.

Signed..... Date.....
Mirsad Bakalovic, Director of Communities, Environment and Central

2. **Links to the Royal Greenwich high-level objectives**

2.1 This report relates to the Council’s agreed missions as follows:

- It is easier, safer, and greener to move around the borough and the rest of London.

The effective management of the Council’s Road network relies in part on the effective enforcement of non-compliance with the prevailing regulations. This report concerns itself with the management of enforcement action against those who do not comply.

2.2 Compliance reduces congestion, which has a direct correlation to air quality. This makes Greenwich a healthier place to live and work in and a better place to grow up in.

2.3 Compliance with Moving Traffic Regulations has a direct Road Safety correlation. This makes Greenwich a Safer Place for all highway users, but specifically vulnerable users such as cyclists.

2.4 Effective management of the highway network allows effective commerce specifically the servicing of commercial premises for delivery, the efficient operation of public transport and in generally improves journey time within the borough.

3. **Purpose of Report and Executive Summary**

3.1 The purpose of this report is to seek approval to extend the existing contract of services to 31st March 2025 and also approve a variation to the contract for the provision of parking services systems and support provided by IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED (company

registration number 2023383). This will ensure that the council will be able to continue its statutory duty without any breaks in the provision of the required services.

4. Introduction and Background

4.1 RBG currently holds a three ~~four~~-year contract with the option to extend for two periods of 12 months each. The first 12 months period has been utilised and currently in the first 2nd 12 months extension period with IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED for the provision of parking service back-office management systems for processing Penalty Charge Notices & Permit system and provision of CCTV Enforcement Cameras.

4.2 This report, seeks approval to vary this contract to ensure timely payments are made without any adverse impact on the service and to fulfil contractual obligations.

5. Available Options

5.1 Option 1:

Do Nothing - This is not an option, as parking and traffic enforcement are statutory obligations. Enforcement of parking and traffic controls is essential with the ever-increasing population to drive regeneration and improve safety. Consequently, every highway authority ensures this function is delivered.

5.2 Option 2:

Agree to the extension and variation to the contract.

6. Preferred Option

6.1 Option 2 is the preferred option -

7. Reasons for Recommendations

7.1 Approval of this option is vital for the Enforcement of parking and traffic controls to be able to fulfil its statutory and contractual responsibility. Without uplifting the contract value, the Council will fall behind its commitment.

A request for an uplift of £792,956.66 has been made due to additional services requested from Imperial after the commencement of the procured contract, which was originally priced at £1,5000.00. The additional services

included changes to the original Videalert camera quotation specifics, site amendments, and equipment required at newly identified sites. Furthermore, the existing camera estate in RBG expanded from 20 cameras to over 60, significantly impacting the increased yearly maintenance costs. Additional cameras were also purchased to support the Low Traffic Neighbourhood (LTN) Project and the Elizabeth Line project, requiring more yearly maintenance costs. This increase in costs led to an increase in BPU costs, some of which were short-term and others over the contracted period. However, the original contract award value was never uplifted to the required amount to address these increases. This is now being addressed as part of this extension/uplift request.

7.2 This extension will take the contract into the final year of permitted extensions. This extension will ensure continuity of service and enable a comprehensive procurement process to be run over 2024/25. This will enable RBG to seek the best value and service through a comprehensive tendering exercise.

8. **Consultation Results**

8.1 No consultation is required.

9. **Next Steps: Communication and Implementation of the Decision**

9.1 None

10. **Cross-Cutting Issues and Implications**

Issue	Implications	Sign-off
<p>Legal including Human Rights Act</p>	<p>The Director of Communities, Environment and Central is requested to approve the variation to the current contract with Imperial Civil Enforcement Solutions Limited to increase the value by 53%.</p> <p>Compliance with Contract Standing Orders (CSOs) and Public Contract Regulations 2015 (PCRs) CSO 3.1 states that every contract made by or on behalf of the Council must comply with National Law, these</p>	<p>Mohammed Patel, Contracts and Procurement Lawyer</p> <p>23/05/2024</p>

Standing Orders and the Council's Financial Regulations.

In accordance with CSO 33.1, a formal written report approved by the Chief Officer is required if any variation decision would add more than 10% of the estimate value of the service contract above National Threshold.

This contract is subject to the Public Contracts Regulations 2015 and the contract variation is compliant with Regulation 72(1)(e) where the modification irrespective of value is not substantial within the meaning of Regulation 72(8). The justification for this variation is outlined within paragraph 7 of this report.

The contract extension to March 2025 is compliant with the CSO's as the option to extend for a further 5 years was approved by way of an award report dated 08 January 2019.

The Chief Officer is therefore authorised to approve this contract variation.

Best Value

Under the Local Government Act 1999 the Council is required to achieve best value in the exercise of its functions. In reaching a decision, the Chief Officer must take into account the reasons for the approval of this variation as set out in the body of Report and the Council's fiduciary duty to achieve Best Value.

Human Rights

Under the Human Rights Act 1998 local authorities have a duty to promote and

	<p>protect human rights. The approval of this variation does not have legal implications under the Human Rights Act 1998.</p> <p>Consult with Legal The report author should consult with Legal in relation to the Deed of Variation to implement the contract variation.</p>	
Finance and other resources	<p>The Director of Communities, Environment and Central is requested to approve the extension of the current contract with Imperial Civil Enforcement Solutions Limited for the provision of parking services systems and support for a period of one (1) year, from 1st April 2023 until 31st March 2025 and to approve the variation to the original value of this contract with Imperial Civil Enforcement Solutions Limited pursuant to CSO 33.1.</p> <p>The value of the variation is £792,956.66 and will increase the original value of the contract from £1,500,000.00 to £2,292,956.66 until its expiration on 31 March 2025. This will be funded from existing revenue resources</p> <p>To note that a procurement exercise is currently being planned and a new contract for the service is scheduled to be awarded by March 2025. The new contract is expected to commence in April 2025.</p>	<p>Sue Rock Accountancy Business Change Manager 03/05/2024</p>
Equalities	<p>The decision recommended through this paper has a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.</p> <p>This report contributes to the Council's Equality and Equity Charter and the Council's Equality Objectives 2020-2024</p>	<p><i>Jahn Hingst Interim parking Services manager 26/04/2024</i></p>

	<p>by promoting active travel as a part of a wider strategy where possible and addressing the needs of residents and staff with protected characteristics. The Council will continue to evaluate its services and policies to promote equality in terms of social and economic outcomes.</p>	
Climate Change	<p>The recommendation of this report aligns with the transport objectives of the Royal Borough's Carbon Neutral Plan adopted by Full Council in November 2020.</p> <p>Transport was identified as Greenwich's second biggest pollution source within the Plan.</p> <p>This activity assists in delivering an effective highway network which in turn reduces congestion and tailpipe emissions.</p>	<p>Jahn Hingst Interim Parking Services Manager 26/04/2024</p>
Procurement and Social Value	<p>Procurement supports the recommendation for the reasons for the additional spend explained in the report.</p> <p>The extension option in the Terms and Conditions of Contract is being utilised. An extension will provide continuity of service whilst preparing to put a new contract in place. Procurement therefore approves the recommendation to extend the contract.</p> <p>A procurement of the service is being planned and will start before the end of this extension period to ensure value for money is achieved.</p> <p>The next procurement exercise for this service will consider a detailed costing exercise to ensure the actual cost of the service is reflected in the tender documents and award report.</p>	<p>Mariyama Sesay Senior Strategic Procurement Business Partner 02/05/ 2024</p>

Health and wellbeing	<p>This activity is connected to the enforcement of Parking, Bus Lane, and Moving Traffic restrictions.</p> <p>All three work streams can impact public transport users, pedestrians and cyclists in a positive way making the highway network more efficient for public transport and a safer environment for walking and cycling.</p>	<p>Jahn Hingst Interim Parking Services Manager 26/04/2024</p>
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11. **Report Appendices**

11.1 The following documents are to be published with and form part of the report:

- *Imperial Quotation*
- *ESPO Call-Off Contract PMS Lot 4*

12. **Background Papers**

- *None*

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