

Policy Committee

17 September 2025



Reading
Borough Council

Working better with you

Title	Joint Procurement for Parking Enforcement Services
Purpose of the report	To make a key decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Emma Gee, Executive Director for Economic Growth and Neighbourhood Services
Report author	Phil Grant, Parking Services Manager
Lead Councillor	Councillor John Ennis, Lead Councillor for Climate Strategy and Transport
Council priority	Deliver a sustainable & healthy environment & reduce Reading's carbon footprint
Recommendations	<p>That the Executive Director for Economic Growth and Neighbourhood Services in consultation with the Lead Councillor for Climate Strategy and Transport, Assistant Director of Legal and Democratic Services and Director of Finance is authorised to:</p> <ol style="list-style-type: none">1. Commence a procurement exercise independently or in partnership with other councils for parking enforcement, permits, Penalty Charge Notice processing and postal services.2. To terminate, if appropriate, the existing contract for parking enforcement with Trellint (part of the Modaxo Group) by mutual agreement at a date that allows an orderly handover to new contract arrangements.3. Enter into a suitable agreement with another council or councils to undertake the necessary procurement exercises on behalf of Reading Borough Council.4. Enter into an agreement with a company individually or jointly procured to the provide on street and off-street parking enforcement services.5. Enter into an agreement with a company individually or jointly procured to deliver Penalty Charge Notice processing, issue permits for residents and businesses and provide postal services for same.6. Undertake any required contract modifications (to include extension / variation) as may be required from time to time to ensure effective operational management of the contract, subject to that impact not exceeding key decision thresholds.

1. Executive Summary

- 1.1. Trellint is part of the Modaxo Group and provides parking enforcement services for both Reading Borough Council (RBC) and Oxfordshire County Council (OCC) as separate contracts.
- 1.2. RBCs contract with Trellint commenced October 2023, and the initial term expires in October 2027. It has a total value of £2m.
- 1.3. The Council has an option under the existing contract to extend it. Trellint however has indicated that it is exiting the parking enforcement market and would not be content for the contract to be extended beyond October 2027. Oxfordshire's contract expires in April 2027 at the latest. Due to similar expiry periods and opportunity for both Council's to benefit from economies of scale garnered through procuring collaboratively, there is interest in commencing a joint procurement exercise. There may be other near neighbours who may also wish to join a shared procurement exercise. The intention would be for each council to have its own contract, but with the procurement dealt with jointly.
- 1.4. Trellint intends to honour the remainder of the parking enforcement contract but wish, subject to the agreement of the Council, to subcontract the remainder of the contract term to another experienced company and they have indicated that they may consent to a mutually agreed early termination should that assist the council in achieving a smooth transition of service provider. Any subcontractor would have appropriate due diligence and scrutiny undertake with it before being authorised to undertake the activity at no additional cost.
- 1.5. It is noted that RBC contract extends beyond OCC's by six months and this will be a material consideration in relation to possible early termination of Reading Borough Council's contract with Trellint.
- 1.6. The Council's contract for Penalty Charge Notice (PCN) processing, permit management and postal services also expires October 2027. These are currently provided by a different supplier and we would seek to procure a new contract for these services at the same time. This may result in a staggered start to the contract arrangements, but the contract terms will seek to ensure all elements of these contracts end at the same time in the future to allow easier bundling of these linked services. Aggregation of contracts in this manner may lead to improved pricing and positive impact on each Council's finances; however, steps would be taken to ensure that doing so would not hamper small/medium enterprises from bidding as required under the National Procurement Policy Statement (e.g. permitting consortium bids).
- 1.7. In a marketplace that has few suppliers, procuring at the same time as with a neighbouring authority can lead to lost opportunities and unbalanced competitive tension in the market; whilst procuring together simplifies the opportunity for bidders and puts the combined authorities in a stronger position to require competitive bids. By joining with OCC, the procurement value will be much higher and therefore attract wider interest for both service areas.
- 1.8. A joint procurement will also reduce costs and demand on resources for both authorities.

2. Policy Context

- 2.1. The Traffic Management Act 2004 (TMA 04) places a duty on the authority to manage the highway network within its boundaries. One of the duties is to ensure the smooth and efficient movement of vehicles. Integral to this duty is the requirement to manage the kerbside space, including parking bays. RBC presently do this through Trellint as described above.

- 2.2 The recent Audit report on residents permits highlighted the lack of preparation ahead of the previous tender and implementation of the PCN and permit processing systems, which was less than 6 months. To address the issues raised in the report, the service intends to commence with preparation of the tender in October 2025, allowing sufficient time for both RBC and OCC to draft the documents, receive submissions and carry out due diligence on submissions. The procurement itself is expected to take approximately 6 months. This time frame provides sufficient time for testing to resolve any faults and have them rectified prior to going live, thereby minimising disruption to service delivery.
- 2.3 RBC and OCC have long held a policy of contracting these services out to external providers, having identified this as the most cost-effective means as of delivering both service areas. As neighbouring authorities, there is added synergy in working together.

3. The Proposal

- 3.1. The current position is that the parking enforcement contract and the PCN processing contract both expire at the same time. With both contracts requiring re-tendering simultaneously, the workload for the service increases substantially. Introducing a new supplier requires time and resources to ensure the services needs are met and delivered.
- 3.2. Through working in partnership with OCC to procure parking enforcement, PCN processing, permit management and postal services, the demand on RBC resources will be greatly reduced.
- 3.3. The joint working arrangement will reduce costs and time spent on appointing a new contractor(s). It will also have the added benefit of bringing broader technical expertise and experience into the design of services and assessment of bidders.
- 3.4. The overall value of the procurement will increase substantially if procuring jointly with another authority, making the offering more attractive to a wider number of service providers, and increase competitive tension in which has generally been a limited market. The contract would have an initial duration of 6 years, with the no fault break clause of 6 months to be agreed through agreement with our partner authority.
- 3.5. Reading's tender would be divided into 3 lots:
 - I. Physical enforcement (Boots on the ground)
 - II. Back office PCN processing, including permit management and postal services
 - III. A combined contract of both the above.
- 3.6. Undertaking the approach as above ensures we are attracting as wide a market as possible, ensures we are fulfilling our obligation to enable smaller companies to bid (as typically delivered by lotting), whilst also ensuring that the best value for money opportunity can be assessed should aggregating the services be evaluated as most advantageous to the councils.
- 3.7. Appoint new contractor individually - to maintain the smooth flow of traffic through the borough, parking enforcement must be maintained. Without effective parking enforcement inconsiderate parking would cause major traffic problems and delays to bus services in a very short time. This option will remain "Plan B" and is requested as the fallback position in this recommendation should the joint procurement not prove successful, however it is believed that it would achieve lesser benefits to the recommended option to jointly procure hence the proposal to Committee.

- 3.8. It is recommended that we commence a procurement process and in doing so seek to join procurement activity with OCC in procuring parking enforcement, PCN processing, permit management and postal services
- 3.9. In conclusion, a joint procurement exercise with OCC would reduce the cost and officer time involved in tendering for the service provisions to both authorities, whilst likely leveraging greater value for money and more advantageous bids for the Councils.

4. Contribution to Strategic Aims

- 4.1. The joint working proposal supports the strategic aim of ensuring Reading Borough Council is fit for the future and being ambitious for Reading.
- 4.2. The joint procurement of services forges closer links with a neighbouring authority, while delivering a major procurement project for Parking Services.
- 4.3. If the joint procurement is successful, it may provide the basis for other joint working opportunities. RBC has undertaken joint procurements with a number of different combinations of authorities across a range of contract subject matter, including limited markets, and these have proven successful to date.
- 4.4. The Council Plan has established five priorities for the years 2025/28. These priorities are:
 - Promote more equal communities in Reading
 - Secure Reading's economic and cultural success
 - Deliver a sustainable and healthy environment and reduce our carbon footprint
 - Safeguard and support the health and wellbeing of Reading's adults and children
 - Ensure Reading Borough Council is fit for the future
- 4.5. In delivering these priorities, we will be guided by the following set of principles:
 - Putting residents first
 - Building on strong foundations
 - Recognising, respecting, and nurturing all our diverse communities
 - Involving, collaborating, and empowering residents
 - Being proudly ambitious for Reading

- 4.6. Full details of the Council Plan and the projects which will deliver these priorities are published on the Council's website - [Council plan - Reading Borough Council](#). These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

5. Environmental and Climate Implications

- 5.1. It is not envisaged that the service delivery will alter materially, being primarily delivered by Civil Enforcement Officers on foot, CCTV for moving traffic contraventions and electric scooters for mobile patrols.
- 5.2. One of the required evaluation criteria will be social value and therefore the procurement will include an assessment of offers which may help contribute to the RBC and OCC regions' carbon reduction policies.

6. Community Engagement

- 6.1. None required.

7. Equality Implications

7.1. None identified.

8. Other Relevant Considerations

8.1. None identified.

9. Legal Implications

9.1. The TMA 2004 places a duty on the authority to maintain a smooth flow of traffic, improving road safety and air quality. The effective management of parking contributes to these objectives through enforcing the traffic regulations (TRO) as laid down.

9.2. The TMA 2004 prohibits authorities incentivising the issuing of Penalty Charge Notices (PCN) or penalising officers for not issuing PCN. The objective is to maintain traffic flow, improve road safety for all users and improve air quality through compliance of traffic regulations.

9.3. The report details that Officers preferred option at this time is to work with Oxfordshire County Council to jointly procure a contract(s). Such collaboration is permitted in accordance with the general power of competence in the Localism Act 2011. This will require the council to enter into an agreement with Oxfordshire (and / or other authorities) setting out each party's responsibility in relation to the procurement. Whilst it is proposed to jointly procure such contract(s), the contract(s) will be let individually to Reading and Oxfordshire. There will therefore not be a joint service with Oxfordshire following the procurement with each authority having full autonomy in dealing with contracts let.

9.4. The procurement will be run under the full requirements of the Procurement Act 2013 (PA23), unless it is agreed that a more suitable procurement strategy can be achieved via use of a framework established either under the PA23 or a framework established under the Public Contracts Regulations 2015. Regardless, an appropriate strategy will be recommended and scrutinised through RBCs procurement governance framework, and the delivery of this procurement will ensure all regulatory obligations are fulfilled in line with the procedure to be followed and subsequent lifecycle to apply to the contract until its expiry. The proposals contained in this report align with the obligations for competitive and transparency of public procurement activity, plus considers requirements of the National Procurement Policy Statement for small medium enterprises and social value (the latter of which will be included as an evaluation criteria).

9.5. The proposed services to be procured will be provided by an external contractor(s) and that there are no implications for the council's staff arising from this procurement under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ('TUPE'). However, TUPE is likely to apply so as to transfer those staff who spend all or most of their working time on the activities taken over by the new contractor(s) from the current contractors.

9.6. Jonathan Treherne has cleared these Legal Implications.

10. Financial Implications

10.1. The cost of the procurement will be shared with OCC. A budget sum of £30k for legal and procurement fees has been provisionally allocated within existing service budgets to contribute to the procurement project. We anticipate that Oxfordshire will undertake the legal and procurement process with Reading contributing to their costs.

10.2. Martin Smith, Major Projects Accountant, has cleared these Financial Implications.

11. Timetable for Implementation

11.1. It is proposed that procurement will commence in October 2025 and continue during 2026 with commencement of new contracts expected in April or October 2027. Following approval, a full detailed timeline will be drawn up along with the detailed procurement strategy, outlining key milestones to be met including internal governance approvals, advertising, evaluation, TUPE, and mobilisation. The decision on contract termination date will be assessed to understand, once bids are received, what the lowest risk approach will be for RBC to proceed with.

12. Background Papers

12.1. There are none.