

Full Business Case (FBC)			
1. General Information			
Directorate	Economy	Portfolio/ Committee	Transport and Roads Value for Money and Efficiency
Project Title	Car Clubs	Project Code	To be confirmed
Project Description	<p><u>Background</u></p> <p>Car clubs provide a flexible, pay-as-you go car hire option, allowing individuals and organisations to book, drive and return a car at any time. With plans set out in the Birmingham Development Plan to build over 50,000 new homes, there is a prediction that the city could face the challenge of 80,000 more cars in the city and 200,000 more daily trips by 2031. The Birmingham Connected White Paper sets out plans to contain growth in the number of cars on the roads, to limit the damage to public health and road safety which over reliance on cars can cause. Car clubs are a proven way to reduce overall car dependence by making access to cars more flexible, reducing pressure on road space and the requirement for parking and encouraging sustainable behaviour. They also have potential to reduce the cost of living in Birmingham for some of our low earning households, whilst enhancing accessibility to jobs and amenities.</p> <p>Carplus, the accreditation body for car clubs in the UK, conduct an annual survey of car club providers and members, the 2015/16 survey for England and Wales reveals that:</p> <ul style="list-style-type: none"> • Car clubs reduce levels of car ownership, with each car club vehicle deferring the purchase of 11 private cars. • Car club vehicles, being well maintained and often only a few years old, are safer and have 42% lower carbon emissions than the average private car. • Car club members travel more often by bicycle, train and bus than the national average. • Members drive an average 1,000 fewer miles a year after joining. <p>Car clubs provide customers with access to modern, more efficient vehicles with reduced emissions which might not be affordable privately. Broadening the car club offer in Birmingham can help us to contribute to the challenges of improving air quality and reducing carbon emissions.</p> <p>In 2011 the former Cabinet Member for Transport, Environment and Regeneration instructed the Development Directorate to progress the introduction of an 'urban mobility' car club in Birmingham. The City Council introduced a trial on a number of on-street designated car club bays, through the Highways & Transportation Capital Programme. A quotation was advertised on Finditinbirmingham which concluded in the award of a contract to Enterprise Car Club providing the opportunity to operate from the bays for 3 years. There are currently 9 designated on street car club bays in Birmingham. 8 are within the city centre, at 6 different locations (some are double bays), and 1 is in Selly Oak. At present, Enterprise Car Club operate 8 vehicles from these sites and a further 7 vehicles from locations off the public highway. The operator pays the Council an annual permit fee for each bay (detailed under funding and revenue implications). This arrangement is now up for review. A minimum of 3 further designated bays, included in the</p>		

Ladywood and the Digbeth Controlled Parking Schemes, are programmed to be in place within the 2017/18 financial year, subject to Traffic Regulation Order consultation.

There are currently 178 Enterprise Car Club members in Birmingham, with about 12 members to each vehicle. It is felt that at the moment the scale of the project has not reached a level where car clubs have a strong presence in the city and are seen as a viable alternative to private car ownership by the general public. However interest shown from potential providers and case studies from other cities demonstrate strong potential for the market to grow significantly. With expansion of the scheme the cars will be more visible and there will be greater availability for the customer.

Co-wheels, a social enterprise, also operate 10 vehicles in South Birmingham, including the first electric car club vehicle in Birmingham. This operation has expanded organically and is run without the need for Council support as the cars are not located in designated bays; they are parked off the public highway, or in on-street locations where customers return vehicles as close to the pick-up point as possible.

An indication of the untapped potential for car clubs in Birmingham was demonstrated with the launch of the 'Car2Go' scheme in 2013. This on-demand, one-way car club service provided 250 smart cars in the city and proved very popular, generating 7,000 members within the first 12 months. Unfortunately the operator decided to leave the UK market in 2014 due to the unsuccessful development of Car2Go's London operation.

Enterprise Car Club have provided the following figures to demonstrate the size of their schemes in other cities and the potential for growth in Birmingham:

	Birming -ham	London	Manche -ster	Bristol	Edinb -urgh	Brighton	York
Total number of cars	15	420	42	72	160	105	42
Total Members	178	11837	1641	2636	5161	3313	1341
Membership growth in last 12 months	64	4221	427	1063	1038	835	599
Members per car	12	28	39	37	32	32	32

It should be noted that these figures just represent one provider. Across the London boroughs, for example, there are over 2480 bays (January 2015, London Car Club Strategy) and 135,500 members with a number of different providers. The London Car Club Strategy is aiming to increase car club membership across London to 500,000 by 2020 and 1 million members by 2025.

Project Proposal

Car clubs can help to reduce congestion and improve air quality, supporting a healthy city as well as meeting air quality obligations and improving sustainability. It is therefore proposed that a new procurement framework and delivery model for car clubs in Birmingham is developed.

A single operator is required to run the existing 9 designated on-street car club bays as well as support the Council in expanding the scheme. In Year 1 of the contract it is intended that 3 new dedicated bays and approximately 10 'floating' bays will be in place. The 3 dedicated bays are programmed for implementation by March 2018 through controlled parking schemes in Eastside, Ladywood and Digbeth, subject to Traffic Regulation Order

consultation. Below is an estimated indication of timeframes. Higher levels of provision will be sought if further funding is secured.

Contract Year	Existing Bays	New Floating bays	New designated bays	Total number of bays
Year 1	9	10	3	22
Year 2	22	0	3	25
Year 3	25	0	3	28
Year 4	28	0	3	31
Year 5	31	0	3	34

Expansion of car club provision in the city will take two forms; 'dedicated bays' and 'floating bays'. All provision will operate a 'return to base' model where vehicles must always be collected from and returned to the same location.

1. Floating Bays - It is proposed that a 'floating bay' system is developed in the city centre. This will utilise pay and display parking locations for car club vehicles and will allow the customer to collect a car from and return it to any pay and display bay within a small designated location on a specific road. In liaison with Highways, 10 potential additional locations have been identified for introduction with the new contract. This approach ensures best usage of parking bays in areas of high demand (but not saturation). It also incurs no infrastructure costs, and therefore allows for quick implementation and flexibility to change location if necessary.

2. Designated Bays - It is proposed that a minimum of 15 new designated bays will be provided during the length of the contract and will be provided in the following areas:

- New Controlled Parking Zones or Resident's Parking Schemes;
- Green Travel Districts and Local Centres;
- Significant new residential developments; and
- The City Centre (if floating bays are not viable because parking is too saturated, preventing cars from being returned)

These will be funded through an allocation of £55,000 from the City Council's Integrated Transport Block (ITB), approved through the Transportation and Highways Capital Funding Strategy report on 16 May 2017. Delivery will be subject to separate approval and governance.

Additional funding will also be sought to supplement this minimum of 15 spaces through S106 agreements where appropriate and planning policy is being strengthened to enable this.

Through work on developing Green Travel Districts and liaison with businesses, opportunities will be sought to encourage additional off-street car club bays to be introduced by the private sector. These can be installed at no cost to the council and will further extend car club availability. However on-streets bays are generally preferred by operators for reasons of visibility, credibility, accessibility and security.

Operating model

The following operating model options were considered:

- Commercial vs in-house operation: Tendering the opportunity to one or

more commercial operator is considered the only viable option. The capital and staffing resource to run the facility in-house does not exist. As well as investing the capital required, commercial operators offer existing expertise to make the scheme successful, and they take on the majority of the commercial risk.

- **Multi Operator:** The co-existence of a number of operators can provide the customer with choice, and could foster a better service and pricing through competition. It can encourage a variety of locations to be serviced, rather than just those which are presumed to be most lucrative. However the fair allocation of available bays could prove to be very administratively intensive. In a small market multiple operators can cause confusion and expense for customers, who may need to pay multiple membership costs in order to have access to all available vehicles. Marketing power may also be diluted. Carplus suggest that multi-operator models work best once a market has at least 100 vehicles. Therefore a multi operator approach has been discounted until the Birmingham car club market is more established.
- **Tiered 'first refusal':** A tiered set-up was strongly considered, whereby operators are allocated a position based on a competitive tendering process. This approach would allocate a first tier provider with first refusal of all bays, and a second tier provider who could operate in all bays which were left unoccupied by the first provider. However this approach has not been tested elsewhere in the country. It is felt that the second tier position would not offer enough scope to be attractive to a provider. It would also inhibit the council from consulting with providers on where bays should be located, which can provide valuable insight for ensuring successful expansion.
- **Single Operator:** An exclusive arrangement with an operator is recommended for Birmingham. This will allow a provider to focus investment and marketing, and will simplify the end-user experience. It will enable a collaborative, less complicated relationship with the council in expanding the network and selecting locations for future bays. Smoother integration of electric vehicles (EV) into the car club market will be possible, with direct collaboration between the car club operator and the EV infrastructure provider. Explicit conditions will be included in the procurement specification to ensure the selected provider commits to filling available bays. This will allow for bays to be positioned in a wide variety of locations whilst also being financially viable.

Procurement

Duration of the Contract

The proposed duration of the contract will be for a period of 3 years with the option to extend for a further 2 years subject to satisfactory performance, up take by citizens and Council priorities. This period has been chosen in consultation with the market due to the level of investment required by operators.

Procurement Options

The following procurement options were considered:

- Tendering a Birmingham Only Contract

This is the recommended option as it gives the Council the most flexibility in specifying the Council's requirements.

- Use of the Amey Highways Maintenance PFI Contract

This option was considered and discounted as the scope of this project falls outside the existing contractual agreement with Amey Under the PFI.

- Use of a collaborative framework agreement

There is a framework agreement currently in place led by the Crown Commercial Services. This option was rejected as the framework agreement expiry date does not align with the Council's requirement.

Birmingham Business Charter for Social Responsibility

Compliance with the BBC4SR is a mandatory requirement that will form part of the conditions of this contract. Tenderers will submit an action plan with their tender that will be evaluated in accordance with Stage 3 and the action plan of the successful tenderer will be implemented and monitored during the contract period.

Scope and Specification

The procurement strategy will scope for a company to provide all vehicles and operational requirements for the car club. Vehicles must meet strict emissions criteria in line with Clean Air Zone requirements. It will be a mandatory requirement that all the vehicles supplied will have Euro 6 engines as a minimum. The company will provide all customer care, vehicle maintenance and marketing communications.

Evaluation and Selection Criteria

Stage 1 – Selection Stage (Pass / Fail)

- Company Information
- Grounds for Mandatory Exclusion
- Grounds for Discretionary Exclusion
- Economic and Financial Standing
- Technical and Professional Ability
- Data Protection Policies
- Additional Selection Questions
 - Environmental Management
 - Insurances
 - Compliance to Equalities Duties
 - Health & Safety
 - Compliance to the Birmingham Business Charter for Social Responsibility

The proposed Quality, Social Value and Price Split is detailed below:

Stage 2 - Quality (50%)

Sub-Criteria	Sub Weighting
Marketing, Promotion & Growth	30%

of the Network	
Contract Management & Management Information	25%
Vehicle Specification, Fleet Maintenance & Refuelling	25%
Booking Technology & Customer Service Support	20%
Total	100%

Tenderers who score less than 60% of the quality threshold i.e. a score of 300 out of a maximum quality score of 500 may be excluded from taking any further part in the process.

Stage 3 – Social Value (20%)

Sub-Criteria	Sub-Weighting
Local Employment	10%
Good Employer	10%
Buy Birmingham First	10%
Partners in Communities	20%
Green and Sustainable	40%
Ethical Procurement	10%
TOTAL	100%

Tenderers who score less than 40% of the social value threshold i.e. a score of 200 out of a maximum social value score of 500 may not take any further part in the process. Tenderers who score nil in response to any question may be excluded from the process.

Stage 4 - Pricing (30%)

Tenderers will be expected to state prices against a pre-determined model based on the specification as detailed in the requirements. The pricing assessment will be based on the charges applied to users of the service.

Overall Evaluation

The evaluation process will result in comparative quality, social value and price scores for each tenderer. The maximum quality score will be awarded to the bid that demonstrates the highest quality. The maximum social value score will be awarded to the bid that demonstrates the highest social value. The maximum price score will be awarded to the lowest acceptable price. Other tenderers will be scored in proportion to the maximum scores in order to ensure value for money.

Sourcing Strategy

It is proposed that a sole provider will be awarded a contract to allow for the growth of the network throughout Birmingham.

Other operators will still be able to operate within the city, but will have to do so without designated bays, or specific rights to locations on the highway. They would be unable to operate in locations with a Controlled Parking Zone.

Evaluation Team

The evaluation of the tenders will be undertaken by the Transport Policy Manager, Project Leader - Transportation Policy, Technical Officer – Transportation Policy and supported by the Assistant Procurement Manager, CPS.

Implementation Plan (Indicative)

Approval of FBC (Strategy)	20 th October 2017
Advertise opportunity and issue of tender pack	27 th October 2017
ITT Deadline Submission	28 th November 2017
Evaluation Period	29 th November – 6 th December 2017
Delegated Approval (Award)	7 th December – 22 nd December 2017
Contract Award & Mobilisation	3 rd January 2018
Contract Start	8 th January 2018

Service Delivery Management

The contract will be managed operationally within Growth and Transportation by the Transportation Policy Manager, with support from the Behaviour Change team and commercially by Contract Manager, CPS. The Parking Services Manager will support the enforcement element with regards to car club parking.

Funding & Revenue Implications

The Council will charge an annual permit fee per bay to the car club provider for use of on-street parking locations. The following fees have been agreed with BCC Highways, and are based on existing fees (£250 per bay), best practice analysis in other cities, and are a reflection of the desirability of the bay/location. Prices also acknowledge the need to grow the Birmingham car club market, encourage investment and avoid prohibitively expensive charges:

City Centre Inner Zone 'floating' bays: £500

All other City Centre bays ('floating' and designated bays): £350

Wider City designated bays: £250

(All permit prices could be subject to change as a result of reviews and may change throughout the life of the contract.)

Currently permit revenue from existing bays is £2,250 (£250 x 9). In future the revenue is expected to rise to £8,050 for year 1, based on full occupation of 22 bays (including the existing 9 designated bays, 3 additional designated bays and a further 10 'floating' bays in the city centre). This has the potential to increase to approximately £11,650 a year with the provision of a further 12 bays across the city over the subsequent 4 years (34 bays in total), as per 5.2.2. Actual income may vary depending on eventual locations of bays. It is hoped that revenue will be significantly higher if further funding for bay implementation enables greater expansion.

Permit revenue will support the ongoing maintenance of designated bays, estimated to be approximately £27.55 a year per bay. Based on plans for expansion set out in this report, total maintenance costs for year 1 are

	<p>approximately £330 increasing to £661 a year in year 5.</p> <p>Substantial investment is required of a potential car club provider. Therefore it is not thought viable for the Council to seek to make further income from any contractual arrangement, above permit fees, in the interest of meeting the Council's sustainable transport policy objectives. The contract will allow potential for arrangements to be reviewed after 3 years if there is considered to be potential for the Council to secure a percentage share of gross income at this stage. Research has not revealed any other examples of authorities securing profit from Car Club contracts outside of permit fees. In fact it is more common for authorities to invest heavily in early Car Club operations (funding vehicles for example) to incentivise growth.</p> <p>The implementation of approximately 15 designated bays will incur implementation costs (including signs, lines and Traffic Regulation Orders), however these will be subject to a separate governance process and will be funded through £55,000 in the Highways and Transportation Capital Programme. Implementing approximately 10 'floating bays', which utilise Council on-street parking bays in designated areas in the city centre, does not require capital funds as no signage or regulation is required. The spaces will be allocated in areas where parking is not saturated and therefore loss of parking revenue will be minimal if any. Implementation of bays, whilst intrinsically linked to this procurement strategy, is not guaranteed prior to procurement of a provider as it will be subject to separate reporting and approvals. The selected provider will then be able to input into expansion and ensure bays are located to optimise success.</p> <p>S106 allocation</p> <p>It should be noted that potential S106 money has been provisionally allocated for car club expenditure. The funding is not guaranteed, as it is dependent on completion of the development as agreed in existing planning permission and has therefore not been included in the Budget of this FBC. The agreement fully funds the implementation of 9 on-street bays, 9 car club vehicles and membership fees for all residents of the Beorma project in Digbeth for the first 4 years of occupation. Subject to this development being completed within the lifetime of this contract, the successful car club provider would be eligible to operate these bays. Further legal and financial arrangements will be put in place to allocate the additional funds for vehicles and membership fees.</p> <p><u>Equalities Analysis</u></p> <p>An initial Equality Analysis has been carried out. This concluded that there is no detriment to any protected group.</p>
<p>Links to Corporate and Service Outcomes</p>	<p><u>City Council Objectives</u></p> <p>This project will support the following key priorities in the City Council's Vision and Forward Plan, March 2017:</p> <ul style="list-style-type: none"> • Health - a great place for people to grow old in. <ul style="list-style-type: none"> ○ Creating a healthier environment for Birmingham; ○ Increased use of public spaces for physical activity; more people walking and cycling • Jobs and Skills – A great place to succeed in. <ul style="list-style-type: none"> ○ Investment in infrastructure and improvement connectivity; ○ The development of a modern sustainable transport system that promotes and prioritises sustainable journeys. <p>It will also support the following cross cutting objectives:</p>

	<ul style="list-style-type: none">• Increase in the percentage of total trips by public transport;• Improved air quality. <p>Appendix 9 of The Financial Plan 2017 details that: “The City Council aims to improve transport infrastructure and networks, tackle congestion, improve air quality and road safety and encourage the use of sustainable modes and increase the range of low carbon transport options available to all citizens and road users.”</p> <p>Car clubs broaden transport options for Birmingham citizens. They promote more sustainable travel behaviours, offer an alternative to private car ownership, reduce car usage and congestion, and provide access to more efficient, low emission vehicles when required, thereby improving air quality.</p> <p>The Birmingham Development Plan sets out support for car clubs in the city. As an alternative to private car ownership, car club provision can help to justify and manage reduced car parking requirements permitted as part of new developments especially in the city centre and key local centres.</p> <p>Birmingham Connected details the need to promote different ways of using and owning cars in order to see fewer cars owned across the city and to reduce the cost of living in Birmingham, citing car clubs as an example.</p> <p>The West Midlands Strategic Transport Plan, Movement for Growth, sets out plans for ‘Better integration of transport through a smart mobility approach with public transport, car clubs, park and ride and bike hire.</p> <p>The Government have indicated that forthcoming legislation; Air Quality (Mandatory Road User Charging Schemes) (England) Regulations 2017, will mandate the introduction of a Clean Air Zone (CAZ) in Birmingham. Improved car club provision will offer a viable alternative to car ownership and increase usage of sustainable transport modes, particularly in the city centre where air quality is a significant problem. This proposal will offer car club vehicles that are significantly more efficient and less polluting than average private cars, and will offer the potential for Ultra Low Emission Vehicles (ULEV) to also be available for hire.</p>		
Project Definition Document approved by	N/A	Date of Approval	N/A
Benefits Quantification-Impact on Outcomes	Measure	Impact	
	New procurement contract	<p>Provides the ability for the Council to select an operator to supply car club vehicles in the city. A new contract is essential as the old one has come to an end and currently limits expansion.</p> <p>The new operator will support investment in and the expansion of car club availability in the city, as well as boosting the marketing of car club usage. This will provide a more environmentally friendly, cost-effective alternative to private car ownership and will promote the use of sustainable travel alternatives for journeys when a car is not essential.</p>	
Project Deliverables	This project will deliver a new contract for the provision of a car club in the city. It is hoped that this will lead to a significant expansion of car club provision in Birmingham.		
Scope	This FBC refers to the procurement of car club provision for all designated on-		

	street car club bays in the city and all on-street provision within Controlled Parking Zones, whether designated or 'floating' bays. The procurement offer to providers will include detail of Council intentions to expand the existing network of bays, by offering 'floating bay' locations in city centre pay and display sites, as well as designated bays around the city funded through developer contributions and a £55k capital allocation over the next five years.
Scope exclusions	It is important to note that provision of further bays, above the 9 designated bays that are currently in place, is not guaranteed through this FBC which is for the purpose of procuring a new provider. The Council is committed to expanding the network and funding is available to do so. It is also prudent to indicate our intentions to ensure the opportunity is attractive for a new provider. But the Council will work with the new provider to implement new bays and cannot yet guarantee the timescales for this, or the location of future bays.
Dependencies on other projects or activities	<p>Procurement of a provider is dependent upon an attractive offer for potential providers. This requires the Council to demonstrate clear intention to expand provision of bays. For the desired level of expansion (approximately 25 additional bays over 5 years), funding is already allocated in the Transportation and Highways Capital Programme. Implementation will be subject to further approval and governance. Greater provision than this is desired, and will be reliant on sourcing S106 monies and other developer contributions.</p> <p>'Floating bays' will require engagement with enforcement officers to arrange pay and display exemption for Car Club vehicles.</p>
Achievability	<p>Initial meetings with Car Club providers have demonstrated keen interest in Birmingham as a Car Club investment opportunity. Other Core Cities such as Bristol, Leeds and Glasgow have demonstrated successful expansion of car clubs and now have significantly higher provision than Birmingham, demonstrating a clear opportunity.</p> <p>A sole operator procurement approach is the most popular model for cities, particularly those with an emerging car club market. Many other cities including Manchester, Leeds, Glasgow and Nottingham have demonstrated successful application of a single operator approach.</p> <p>Delivery of bays within the indicated timeframe is deemed to be realistic. 'Floating' bays incur no implementation costs and therefore allow for quick implementation in year one of the contract. The intended 3 additional dedicated bays for year one are already funded and proposed for implementation through Controlled Parking Zones. Subject to TRO approval these should be in place for March 2018. Future locations will be agreed with the selected provider to ensure successful expansion.</p>
Project Manager	<p>David Harris</p> <p>Tel: 0121 464 5313 E-mail: david.i.harris@birmingham.gov.uk</p>
Budget Holder	<p>Philip Edwards</p> <p>Tel: 0121 303 7409 Email: philip.edwards@birmingham.gov.uk</p>
Sponsor	<p>Philip Edwards – Assistant Director – Transportation and Connectivity</p> <p>Tel: 0121 303 7409 E-mail: philip.edwards@birmingham.gov.uk</p>
Project Accountant	<p>Andy Price – Finance Manager</p> <p>Tel: 0121 303 3608 E-mail: andy.r.price@birmingham.gov.uk</p>

Project Board Members			
Head of City Finance (HoCF)	Simon Ansell	Date of HoCF Approval:	
Planned start date for delivery of the project	August 2017	Planned date of technical completion	Contract Start January 2018 for 3+2 years.

2. Budget Summary*

	Existing Bays	New Bays	Total number of bays	Price A*	Price B*	Price C*	Annual income for council*
Year 1	9	13	22	3	18	1	£8,050
Year 2	21	3	25	3	20	2	£9,000
Year 3	24	3	28	3	22	3	£9,950
Year 4	27	3	31	3	23	5	£10,800
Year 5	30	3	34	3	24	7	£11,650
							£49,450

*Allocation of bays approximate, therefore actual annual income may vary

n.b. Annual income includes current income from existing 9 bays (£2,250)

Permit charges per bay

A City Centre Inner Zone 'floating' bays:	£500
B All other City Centre bays ('floating' and designated bays):	£350
C Wider City:	£250

3. Checklist of Documents Supporting the FBC

Item	Mandatory attachment	Number attached
Financial Case and Plan		
<ul style="list-style-type: none"> Detailed workings in support of the above Budget Summary (as necessary) 	N / A **	
<ul style="list-style-type: none"> Statement of required resource (people, equipment, accommodation) – append a spreadsheet or other document 	N / A **	
<ul style="list-style-type: none"> Whole Lifecycle Costing analysis (as necessary) 	N / A **	
<ul style="list-style-type: none"> Milestone Dates/ Project Critical Path (set up in Voyager or attached in a spreadsheet) 	N / A **	
Project Development products		
<ul style="list-style-type: none"> Risk Management Assessment 	Mandatory	Section 4
<ul style="list-style-type: none"> Stakeholder Analysis 	Not applicable	

4. RISKS AND CONTROLS

Risk No.	Risks	Description	Mitigating Actions
1	Unsuitable contractors	Unsuitable contractors leading to poor standard of provision.	All tenders examined by technical officers to assess the feasibility/ price in relation to specification. Carplus accreditation required to ensure industry standards are met.
2	Too few participants in the procurement process.	Too few contractors express interest in tender restricting competition and making benchmarking difficult.	Suitable advertising for the size of the contract using e-tendering system. Key players will be advised of the opportunity and market evaluation meetings held.
3	Fictitious/false references or financial information	Technical/quality of work references or financial information provided is fictitious/false or has been amended.	References scrutinised and appraised by qualified officers and formally authorised. All contractors credit checked/financially vetted.
4	Breach of EU regulations	EU regulations are breached and the authority is forced legally to terminate contracts.	All notices/advertisements are reviewed and approved to ensure compliance.
5	Unable to let the tender	There are no suitable tenders submitted or no tenders are submitted.	Extend the existing contract to allow time to re-tender the requirement. Multiple providers have expressed interest.
6	Conflict of interest	Employees involved in the tendering / evaluation / letting process have a connection with one of the tendering companies or their staff/	Confidentiality agreement. Register of interests.
7	Car Club provider ends contact	Operator withdraws from contract leaving council with costs associated with re-procurement.	Financial checks carried out during tender evaluation. Alternative providers available. No asset-related costs or losses for Council.
8	Car Club provider doesn't place vehicles in available spaces.	The Council provide car club bays which remain unoccupied. Operator refuses to provide a service in certain locations.	Single provider enables negotiation regarding location of new bays to ensure agreement before installation. Explicit conditions in specification to ensure bays are filled.
9	Public uptake of car clubs is low.	Membership ratios in the city (members per car) do not increase, making contract less financially viable. Transport policy objectives not achieved.	Potential Providers have indicated confidence in future growth. Current provision and membership is growing. Strong investment in marketing sought from the provider through the specification. Promotion support provided by

APPENDIX A

Risk No.	Risks	Description	Mitigating Actions
			Council through Birmingham Connected and Green Travel Districts. New bay locations selected for optimal success and visibility.
10	'Floating bay' vehicles cannot be returned to specified stretch of road.	If all pay and display bays in a location identified as a 'floating bay' are occupied, customer will not be able to return vehicle to the specified location. If this happens regularly customers will be put off using these vehicles as finding and returning vehicles may prove difficult. Enforcement complications will arise from vehicles parked outside of specified locations.	Locations selected as not experiencing parking saturation, and cross-referenced with parking survey data. Arrangements put in place with the provider and Enforcement officers should these situations arise. 'Floating bay' sites which experience this problem regularly will be moved, or converted to a permanent 'designated' bay if funds allow. No financial loss for the Council should a location be changed.
11	Capital not available to install additional bays.	Additional bays must be provided to ensure growth. If capital is not available for this growth will be limited.	Minimum required funds already secured in Capital Programme. Work to secure additional S106 funds and developer obligations underway.
12	Procurement not completed in timeframe	Expansion of network not possible without new provider.	Realistic timeframes set. Current provider has indicated they will continue to provide a service until new contract is arranged.