

## AIR QUALITY FEASIBILITY STUDY COMMERCIAL CASE

**YOU WOULDN'T  
LET YOUR KIDS PLAY  
WITH DIRTY TOYS**



**BUT EVERY DAY THEY'RE  
BREATHING DIRTY AIR**

**BREATHE** 

**YOU WOULDN'T  
EAT ROTTEN FOOD**



**BUT EVERY DAY YOU'RE  
BREATHING ROTTEN AIR**

**BREATHE** 

## TABLE OF CONTENTS

|             |  |           |
|-------------|--|-----------|
| <b>4.</b>   | <b>COMMERCIAL CASE</b>                                     | <b>3</b>  |
| <b>4.1</b>  | <b>INTRODUCTION</b>  | <b>3</b>  |
| <b>4.2</b>  | <b>OUTPUT BASED SPECIFICATION</b>                          | <b>3</b>  |
| <b>4.3</b>  | <b>PROCUREMENT STRATEGY</b>                                | <b>5</b>  |
| <b>4.4</b>  | <b>SOURCING OPTIONS</b>                                    | <b>7</b>  |
| <b>4.5</b>  | <b>PAYMENT MECHANISMS</b>                                  | <b>10</b> |
| <b>4.6</b>  | <b>PRICING FRAMEWORK AND CHARGING MECHANISMS</b>           | <b>10</b> |
| <b>4.7</b>  | <b>RISK ALLOCATION AND TRANSFER</b>                        | <b>10</b> |
| <b>4.8</b>  | <b>CONTRACT LENGTH</b>                                     | <b>12</b> |
| <b>4.9</b>  | <b>HUMAN RESOURCE</b>                                      | <b>12</b> |
| <b>4.10</b> | <b>CONTRACT MANAGEMENT</b>                                 | <b>13</b> |
|             | <b>APPENDICES</b>  | <b>15</b> |
|             | <b>APPENDIX A4.1 – CHARGE CAZ PROCUREMENT REQUIREMENTS</b> | <b>16</b> |

## LIST OF TABLES

|  |    |
|--|----|
| Table-1 Risk Allocation Table  | 11 |
| Table 4-2 Internal human resource requirements (Charging CAZ D estimate) | 12 |

## 4. COMMERCIAL CASE

Please refer to the summary position provided by the Tyneside Authorities within the Strategic Case regarding the current modelled option that achieves compliance in the shortest time.

### 4.1 Introduction

- 4.1.1 The purpose of the commercial case is to determine commercial viability by understanding the procurement and commercial arrangements relating to services and assets that are required to implement a Proposed Option.
- 4.1.2 The commercial case details the procurement strategy, which is informed by the strategic and economic cases and feeds into the costs, risk management and programme aspects of delivery, as set out in the financial and management cases.
- 4.1.3 As the project evolves from inception through to detailed awareness of design, implementation and operation, the commercial format will mature. This chapter details the commercial arrangements to ensure the successful delivery of the: Tyneside Clean Air Zone (CAZ) Implementation (Implementation, Operation and Monitoring Stage) in advance of entering into formative consultation.
- 4.1.4 The commercial case provides detail on the actions that need to be taken by the Tyneside Authorities to deliver the project across all stages; what the contracting and procurement strategy is, how will risks be transferred, how the procurement approach was determined, whether there is a developed market for the procurement approach and what mechanisms are going to be in place to incentivise performance (positive and negative).
- 4.1.5 The procurement specifications will:
- Minimise the overall programme for the delivery of the Proposed Option, supporting the requirement to improve air quality in the shortest time practical;
  - Increase certainty of delivery through the selection of appropriate Contracts at the procurement stage;
  - Ensure supply chain input into the costs required for the delivery of the Proposed Option, this will ensure the funding requests are appropriate;
  - Enable risk management and mitigation through supply chain input to address interface risks and reduce the overall level of delivery and operational risk; and
  - Ensure supply chain input into the delivery sequence and programming of the actual construction works to ensure full co-ordination between civil construction related works and the technology works.

### 4.2 Output based specification

#### 4.2.1 CAZ

4.2.2 The Tyneside Authorities have identified the 'Types of Purchase' for each potential deliverable. These are broadly split into:

- **Goods and services** – Items that need to be purchased and actions which need to be completed to deliver the Proposed Option; and
- **Works** – installation or construction of physical aspects of the Proposed Option in the built environment. This encompasses all civil works.

4.2.3 A key element of the option that gets us closest to compliance by 2021 (of those we have tested) is the Charging CAZ. A list of the charge CAZ output requirements is shown in Appendix A3.1.

4.2.4 The charge CAZ requirement categories include both goods and services and works deliverables. These are itemised in Appendix A3.1. A summary of these requirements is shown in the below requirement categories:

- Design;
- Integration and project management;
- Cameras and installation;
- System IT and communications (wi-fi / fibre);
- Integration with Council systems, systems and databases;
- Integration with external and internal databases;
- Integration with government systems;
- Enforcement and Penalty Charge Notice (PCN) processing;
- Signs;
- Marketing and communications;
- Professional resource;
- Monitoring; and
- Decommissioning.

#### 4.2.5 Public campaign

4.2.6 A summary of the requirements for the public campaign is as follows:

- Design;
- Marketing and communications plan;
- Professional resource;
- Monitoring; and
- Decommissioning.

#### 4.2.7 Access restriction for HGVs and LGVs on the CME during peak periods

4.2.8 A summary of the requirements for the access restrictions is as follows:

- Design;
- Marketing and communications;
- Traffic Regulation Orders (TROs);
- Signs; and
- Monitoring.

#### 4.2.9 Access changes

4.2.10 A summary of the requirements for the junction changes Street is as follows:

- Design;
- Marketing and communications;
- Construction (materials);
- Construction (services);
- Signs; and
- Monitoring.

#### 4.2.11 Local measures to improve air quality by removing pollutants

4.2.12 A summary of the requirements for the local measures to improve air quality by removing pollutants on the CME is as follows:

- Design;
- Materials and installation;
- Maintenance; and
- Monitoring.

#### 4.2.13 Scrappage or retrofit of vehicles

4.2.14 A summary of the requirements for vehicle scrappage or retrofit is as follows:

- Design;
- Marketing and communications;
- Administration;
- Construction (services);
- End-of-life vehicles; and
- Monitoring.

#### 4.2.15 Travel Credits

4.2.16 A summary of the requirements for issuing travel credits is as follows:

- Design;
- Marketing and communications;
- Administration;
- Monitoring.

### 4.3 Procurement strategy

#### 4.3.1 Background

4.3.2 Centrally coordinated procurement across cities implementing air quality feasibility studies was explored, however no tangible options have been identified by the Tyneside Authorities. It is therefore assumed that the Tyneside Authorities will procure applicable deliverables independently of other cities undertaking CAZs.

4.3.3 As the current option which is closest to compliance includes a charging CAZ which traverses more than one Council boundary, each Authority (Gateshead Borough Council, Newcastle City Council and North Tyneside Council) will approve procurement specifications before they are released to the market. The procurement will be undertaken by Newcastle City Council (NCC) on behalf of the three Authorities. This responsibility is listed in the Terms of Reference for CAZ Implementation Governance. Governance is explained within the Management Case.

4.3.4 To inform and develop the procurement strategy, the Tyneside Authorities undertook market testing between 12<sup>th</sup> November 2018 and 19<sup>th</sup> November 2018 with five suppliers. The Tyneside Authorities have also sought advice and guidance from Local Partnerships and JAQU as part of collaboration during the Tyneside Air Quality Feasibility Study.

#### 4.3.5 Assessment Criteria

4.3.6 To ensure successful delivery, the right balance of the following criteria is essential:

- Time (including time certainty);
- Cost (including cost certainty); and
- Quality (including functionality certainty).

4.3.7 In adherence with the ministerial direction and subsequent guidance from JAQU, the primary spending objective for this study is to achieve compliance in annual exceedance of NO<sub>2</sub> in the shortest possible time. To achieve this, all aspects of delivery must be undertaken efficiently and with maximum effect on air quality. Therefore, the procurement emphasis for the Proposed Option is 'time' and 'quality', all procurement tenders will include weighting criteria in keeping with this strategy. Weighting criteria is anticipated to be 70% quality and 30% cost; however, this would be finalised as part of the drafting and sign-off of procurement pack of tender documents.

4.3.8 To avoid prolonged delivery timescales and minimise delivery complexity, the Tyneside Authorities will request 'tried-and-tested' goods and services where possible as part of the procurement strategy. This will improve the time and functionality certainty of delivery. This may include, where possible, learning from infrastructure deployed in 'Phase 1' cities.

#### 4.3.9 Procurement Methods

4.3.10 Goods and services, and works can be delivered internally (within the Local Authority remit) or externally (by third party contractors). To enable maximum project control and quickest route to delivery, the Tyneside Authorities are also proposing to maximise the amount of work which is delivered internally.

4.3.11 Deliverables which cannot be delivered internally will be procured through appropriate mechanisms. To procure new contracts, the Tyneside Authorities will undertake an appropriate tendering process using existing frameworks.

#### 4.3.12 Approval Process

4.3.13 The procurement strategy will need to be developed by the CAZ Implementation Group (see Management Case for Governance Structure and Terms of Reference).

4.3.14 A summary of the procurement activities which require approval are as follows:

- Procurement strategy – signed off by the Steering Group;
- Procurement pack of tender documents – signed off by Procurement Commissioner from Newcastle City Council following input from legal, finance and technical officers;
- Response evaluation – tender evaluation undertaken by a selected evaluation panel decided by the CAZ Implementation Group. The evaluation panel will include technical specialists who understand the service / works / products being procured and who had involved in the preparation of the procurement pack. The evaluation panel will determine who has won the procurement exercise.
- Contract award - the award of the contract will need to be approved following a confidential Key Delegated Decision for contracts over £100,000. Contracts over £2million will need approval through Cabinet. Note, the approval is simply to award or not (it is not Cabinet / approver changing or choosing a provider).

#### 4.4 Sourcing options

4.4.1 As stated in the procurement strategy, delivery will be internal where possible. Requirements which need to be delivered externally will be procured through appropriate sourcing mechanisms.

4.4.2 Some '**Works**' will be delivered internally. The Tyneside Authorities have access and appropriate mechanisms and frameworks in place with the existing Regional Traffic Signals Group and also have local Highways Maintenance departments who can:

- Install camera columns / mounting;
- Enable power supply (with support from Northern Powergrid);
- Deliver other street works / equipment installation;
- Undertake traffic management;
- Install local signs; and
- Deliver civil engineering works including minor works to road, kerbs or pavements.

4.4.3 Some '**Goods and services**' can also be delivered internally:

- Design: Overall solution plan and planning and traffic regulations
- Management: Programme Management / Steering Group and Project Management - CAZ Implementation Manager
- Support staff: Enforcement staff, appeals, queries and complaint handling (except payment system queries which will be held centrally by UK Government<sup>1</sup>) and technical, IT, legal and procurement services
- Delivery of communications activities
- Office costs and postage

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<sup>1</sup> A central payment system is being supplied by the UK Government. It is also assumed that UK Government will supply a central database for taxis.

- Monitoring activities

4.4.4 In order to administer grants for vehicle retrofitting or scrappage, or travel credits for people on lower incomes living in the impacted area, additional recruitment would be required to manage the processes. Furthermore, a CAZ Implementation Manager and additional enforcement staff would be required to operate any charged CAZ PCN processing system. A new office location and supporting IT will also be required to operate a charged CAZ if this was to be the option progressed after consultation.

4.4.5 The Tyneside Authorities do not have the capability to deliver the following ‘**Goods and services**’:

- Camera install (including communications), supply and operation. The Tyneside Authorities have considered the existing contracts that are in place for ANPR cameras and operation. These contracts have been discounted as there is not sufficient contract flexibility to add on an additional task of this quantity or duration. Therefore, a contract for camera supply and operation will have to be procured.
- CAZ system (core design and delivery) and integration (local systems and central systems):
  - Image processing / filtering system
  - PCN processing system
- Communications strategy and design works
- Retrofit vehicles
- Supply and install local measures to improve air quality by removing pollutants from the atmosphere, such as moss walls
- Decommissioning of CAZ systems

4.4.6 The above deliverables have been amalgamated into the following proposed / potential contracts:

**Contract 1:** Camera supply, operation and CAZ look-up system to initially filter vehicles.

**Contract 2:** PCN processing system.

**Contract 3:** Communications strategy and design.

**Contract 4:** Local measures to improve air quality, such as moss walls.

4.4.7 Sourcing options were explored and evaluated as follows:

- Open market and OJEU - would not fit with the “*as quick as possible*” approach from government. There is a higher risk of receiving poorer standard tenders and added complexities for suppliers. However, this option is suitable for implementation of measures that are niche or specialised.
- Framework - ensures that some elements of quality assurance have been undertaken before procurement.

4.4.8 It was concluded that the approach of utilising an existing framework is a simplified and quicker route to market.



- 4.4.9 It is the intention that Contract 1 and 2 will be published to Traffic Management Technology 2 (TMT2) Crown Commercial Services framework reference RM1089, which is currently in place until 31 October 2020. These contracts will be in place for up to five years.
- 4.4.10 Contract 3 will be via NCC framework 005431 – Corporate Design Contract. This contract will be in place for up to one year.
- 4.4.11 Contract 4 will be via the open market as this is a niche market and the Tyneside Authorities are not aware of existing frameworks which are suitable.
- 4.4.12 The procurement pack of tender documents for each Contract will contain:
- Specification;
  - Tender Response Form;
  - Pricing Schedule;
  - Call – off details;
  - NEC3 Contract (draft); and
  - Other supporting documents.
- 4.4.13 The draft procurement specifications for each contract have been drafted and are included in Appendix 4.3.
- 4.4.14 After the procurement specification and response frameworks have been drafted, legal and finance colleagues, technical officers and procurement specialists will meet to select and amend components of the NEC Contract. Key components which will need to be considered are:
- Core clauses;
  - Main Option Clauses;
  - Secondary Option Clauses; and
  - Z Clauses.
- 4.4.15 Change control, adherence to appropriate regulations and treatment of intellectual property rights will all be covered by clauses that will be included in the NEC3 contract.
- 4.4.16 Risk**
- 4.4.17 There is some risk regarding market capacity and capability (i.e. will the likely suppliers be able to cope with demand given other authorities will be wanting the same kind of products on a similar timescale).
- 4.4.18 To minimise this risk, early engagement with the market has been undertaken and will continue through to FBC. Informal feedback from the market is that there is sufficient capacity in the market to deliver charging CAZs in the areas currently undertaking Air Quality Feasibility Studies, particularly as the FBC completion is in tranches with a year between tranche one and tranche two. The capability of the market to deliver these charging CAZs in the shortest possible time is dependent on swift procurement, finalisation of the FBC and prompt funding award to allow contract signing to take place. Furthermore, it is important to note that an alternative charging regime to a CAZ would also require the same equipment (though perhaps in different quantities) so risks are minimised by following this approach.

## 4.5 Payment mechanisms

- 4.5.1 Payments will be linked to performance and contractors will be paid after delivery of milestones as set out in the procurement specification. The terms of these payment mechanisms will be finalised as part of the contract signing, but will be expected to adhere to those typically outlined in Local Authority procurements. Performance measures and quality attributes will be determined as part of the drafting of the procurement pack of tender documents.
- 4.5.2 Allocated risks will be tied-in to the payment approach: payments will be withheld if deliverables are not met and contractors will be required to hold appropriate levels of insurance provision in case of risks being realised.
- 4.5.3 The Tyneside Authorities will ensure value for money by requesting a pricing schedule which covers the duration of the Proposed Option. This will ensure that costs are confirmed for the delivery period and will mean that a decision can be made from the offset about value for money.
- 4.5.4 It is anticipated that it will be a Priced Contract with an activity schedule. The activity schedule will be set out in the procurement documents and will remain in place unless changed in accordance with the NEC3 contract.
- 4.5.5 The contractor will be expected to provide regular information which shows how the activity on the activity schedule relates to operation of their programme. Again, this will be finalised as part of the procurement pack of tender documents.

## 4.6 Pricing framework and charging mechanisms

- 4.6.1 Until the package is operational, the Tyneside Authorities do not know for certain what level of change-response will be triggered (i.e. vehicle upgrades, mode shift, re-routing, pay the charge). This makes the incentivisation of a zone which will achieve air quality compliance in the shortest possible time very difficult; the contractors will be implementing a measure which they have had little input into its design. For this reason, the Tyneside Authorities do not intend to incentivise delivery by impact on air quality.
- 4.6.2 Instead, the Tyneside Authorities will set KPIs which the contractors must achieve. If the contractor fails to meet these KPIs, consequences terms will be set out clearly in the contract Terms and Conditions.
- 4.6.3 It is the intention of the Tyneside Authorities to deliver very prescriptive specifications for Contract 1 and 2. More allowance for innovation will be made in Contracts 3 and 4.
- 4.6.4 Contractors will be expected to provide unit rates for goods. Due to the framework approach, resource rates will be set. Contractors will be asked to provide a lump sum by task and will be expected to provide resource breakdowns for how this lump sum was determined.

## 4.7 Risk allocation and transfer

- 4.7.1 Consideration has been given regarding how risk will be apportioned between the public and private sector. The general principle is to allocate risks of the agreement between the parties

to mitigate or manage them, including the consequence should a risk event arise. The degree to which risk may be transferred largely depends on the specific proposal under consideration.

- 4.7.2 A summary of the risks which we plan to contractually transfer, and risks which are likely to remain with the Authority are shown in Table 4-1<sup>2</sup>. This table is likely to change when more is understood about the dependencies of various deliverables for implementation.
- 4.7.3 The area of risk allocation which will require the greatest development between OBC and FBC is that of transition and implementation. While implementation risk is weighted toward Local Authorities, it is clear that greater work will be required in order to understand the levels of risk around implementation. This will be explored further during the preparation of the FBC.
- 4.7.4 To manage all project risks, the CAZ Implementation Manager and contractors (internal and external) will be asked to produce detailed priced risk registers which will be reviewed regularly.

**Table-1 Risk Allocation Table**

| RISK                          | RISK ALLOCATION (%) |         | COMMENTS  |
|-------------------------------|---------------------|---------|---|
|                               | Public              | Private |   |
| Design                        | 50                  | 50      | The Authority will hold responsibility to achieving NO <sub>2</sub> reductions. Contractors will be responsible for achieving the output. |
| Construction and works        | 50                  | 50      |   |
| Transition and implementation | 25                  | 75      | Authorities must enable the implementation. Contractors must deliver the requirement.   |
| Availability and performance  | 50                  | 50      | Authorities must deliver the resource to operate the system. Contractor must deliver the system.  |
| Operating                     | 50                  | 50      | Authorities must deliver the resource to operate the system. Contractor must deliver the system.  |
| Variability of revenue        | 100                 |         | Authorities must monitor the revenue from the Charge CAZ and respond accordingly.   |
| Termination                   | 100                 |         | Authorities must hold the risk for contract termination.  |

<sup>2</sup> Except deliverables outside of Authority or Contractor control: central payment system, taxi database, central payment customer service.

| RISK                        | RISK ALLOCATION (%) |    | COMMENTS  |
|-----------------------------|---------------------|----|---|
| Technology and obsolescence | 100                 |    | For the duration of their contract, the contractor controls the risk of technology changes.   |
| Residual value risks        | 100                 |    | Authorities must monitor the residual value of the Proposed Option and determine the benefits/costs of operation.                       |
| Financing risks             | 100                 |    | Although funded by the Implementation Fund, ongoing management of finance is the responsibility of the Authority by liaising with JAQU. |
| Legislative risks           | 75                  | 25 | Both authorities and contractors must ensure the Proposed Option is in accordance with legislation.                                     |

## 4.8 Contract length

- 4.8.1 Contract 1 and 2 will be in place for up to five years. Break clauses will be considered during the drafting of the NEC3 contract.
- 4.8.2 Contract 3 will be in place for up to one year. Break clauses will be considered during the drafting of the NEC3 contract.
- 4.8.3 Contract 4 will be in place for up to 5 years. Break clauses will be considered during the drafting of the NEC3 contract.

## 4.9 Human Resource

- 4.9.1 Some 'services' are to be delivered internally. Staff requirements are summarised in Table 4-2. Grades are estimated using the Newcastle City Council Employment scales. New posts will undergo a job evaluation from Human Resources specialists.

**Table 4-2 Internal human resource requirements (Charging CAZ D estimate)**

| ROLE                       | GRADE | FTE  | DURATION (YEARS) | COST PER YEAR PER FTE (£) | TOTAL COST (£) |
|----------------------------|-------|------|------------------|---------------------------|----------------|
| CAZ Implementation Manager | N11   | 1    | 5 years          | 63,000                    | 315,000        |
| Charge CAZ design          | N8    | 0.25 | 1 year           | 46,500                    | 11,625         |

| ROLE             | GRADE | FTE  | DURATION (YEARS) | COST PER YEAR PER FTE (£) | TOTAL COST (£) |
|------------------|-------|------|------------------|---------------------------|----------------|
| Image Review     | N5    | 12   | 5 years          | 25,000                    | 1,500,000      |
| IT               | N7    | 1    | 5 years          | 37,500                    | 187,500        |
| Customer Service | N5    | 8    | 5 years          | 28,125                    | 1,125,000      |
| Enforcement      | N5    | 1    | 5 years          | 28,125                    | 140,625        |
| Supervisor       | N7    | 1    | 5 years          | 37,500                    | 187,500        |
| Procurement      | N7    | 0.25 | 2 years          | 37,500                    | 18,750         |
| Legal            | N11   | 0.1  | 5 years          | 63,000                    | 31,500         |
| Total            |       |      |                  |                           | 3,508,125      |

## 4.10 Contract Management

- 4.10.1 The responsibility of procurement associated with the implementation of any CAZ will be undertaken by NCC on behalf of the Tyneside Authorities. This responsibility is listed in the Terms of Reference for CAZ Implementation Governance, this can be found in the Outline Business Case Management Case.
- 4.10.2 Once appointed, the contractor will be appointed by NCC, therefore contract legalities and management will be directly controlled by NCC on behalf of the Tyneside Authorities. One of the primary responsibilities of the CAZ Implementation Manager will be managing Contracts 1, 2 and 3. Specialist support from NCC Procurement will be provided to support the CAZ Implementation Manager. The amount of procurement support required is shown in Table 4-2.
- 4.10.3 The effectiveness of the package will be monitored in accordance with the monitoring plan set out in the Management Case. If there is a failure on the part of the service provider to deliver the contracted services on time, to specification and price, the contract management will intervene. It is anticipated that any contract failures to deliver will be investigated thoroughly.
- 4.10.4 There is a required for arbitration through NEC3. Arrangements for the resolution of disputes and disagreements between the parties will be undertake in accordance with the arbitration process set out in the NEC3 contract.
- 4.10.5 If responsibility is found to be with the contractor, they may be required to offer some form of recompense such as a reduced fee or some form of service credit. This will be finalised as part of the NEC3 contract drafting.

- 4.10.6 If there are persistent failures by the Contractor, the Tyneside Authorities may terminate the contract and procure through a new tendering process. This is expected to be unlikely given the procurement strategy is to go to organisations on recognised frameworks; while these organisations must have fulfilled a required standard to be on the framework, the ability to deliver will be an integral part of tender formulation and assessment. This will correspondingly reduce the risk of persistent failure.
- 4.10.7 During the consultation period in 2019, a full review will be undertaken of the terms under which existing suppliers have been procured across the three authorities, in order to assess whether there is any risk of these suppliers seeking redress for the imposition of any preferred option.

## APPENDICES

## APPENDIX A4.1 – Charge CAZ Procurement Requirements

|          | <b>Requirements</b>   | <b>Type of Purchase</b> | <b>Internal/<br/>External</b> | <b>Framework</b>  |
|----------|---|-------------------------|-------------------------------|---|
| <b>1</b> | <b>Design / design support</b>                                |                         |                               |   |
| a        | Overall solution / area plan                                  | Goods and services      | Internal/External             | Structure: Internal To LA, Delivery:TMT2 CCS            |
| b        | Technical specs / interface requirements                      | Goods and services      | External                      | TMT2 CCS  |
| c        | Planning and traffic regulations                              | Goods and services      | Internal                      | LA  |
| d        | CAZ core system design  | Goods and services      | External                      | TMT2 CCS  |
| e        | CAZ core system project management                            | Goods and services      | Internal                      | LA (CAZ Implementation Manager & IT)                    |
| <b>2</b> | <b>Integration / management</b>                               |                         |                               |   |
| a        | Integration of camera and installation (3) and CAZ system (4) | Goods and services      | External                      | TMT2 CCS  |
| b        | Integration of 3&4 with 5-8                                   | Goods and services      | External                      | TMT2 CCS  |
| c        | Integration of 3&4 with 9                                     | Goods and services      | External                      | TMT2 CCS  |
| d        | Overall management of 3-11                                    | Goods and services      |                               | CAZ Implementation Manager                              |
| e        | Overall programme management 1-16                             | Goods and services      |                               | Steering Group/ /CAZ Implementation Manager             |
| <b>3</b> | <b>Cameras and installation</b>                               |                         |                               |   |
| a        | CAZ Cameras (supply / maintenance)                            | Goods and services      | External                      | TMT2 CCS  |
| b        | Camera columns / mounting                                     | Works                   | Internal                      | Traffic Signals Group (North East)                      |
| c        | Camera installation   | Works                   | Internal                      | TMT2 CCS  |
| d        | Monitor cameras   | Goods and services      | External                      | TMT2 CCS  |
| e        | Power supply  | Works                   | Internal/External             | Traffic Signals Group (North East)/Northern Powergrid   |
| f        | Other equipment (street works, cabinets etc.)                 | Works                   | Internal                      | Traffic Signals Group (North East)/Highways Maintenance |
| g        | Mobile camera (including vehicle)                             | Goods and services      | External                      | TMT2 CCS  |
| h        | Minor works / traffic management                              | Works                   | Internal                      | Highways Maintenance/Traffic Management                 |



|          |  |                    |          |                            |
|----------|--|--------------------|----------|----------------------------|
| i        | Integration and management   | Goods and services | External | TMT2 CCS                   |
| j        | Location design  | Goods and services |          | LA & TMT2CCS               |
| k        | Location project management  | Goods and services | Internal | CAZ Implementation Manager |
| <b>4</b> | <b>CAZ system IT and communications</b>                                    |                    |          |                            |
| a        | Camera links / communications (WIFI, fibre links)                          | Goods and services | External | TMT2 CCS                   |
| b        | Other equipment  | Goods and services | Internal | LA                         |
| c        | CAZ control room   | Goods and services | Internal | LA                         |
| d        | CAZ system back office   | Goods and services | External | TMT2 CCS                   |
| e        | Licences   | Goods and services | External | TMT2 CCS                   |
| f        | Local and central back-up  | Goods and services | External | TMT2 CCS                   |
| <b>5</b> | <b>IT - CAZ system integration to council back-office or other systems</b> |                    |          |                            |
| a        | Integration to council back office (e.g. finance/payments)                 | Goods and services | External | TMT2 CCS                   |
| b        | Link to notice processing / bus lane system                                | Goods and services | External | TMT2 CCS                   |
| c        | Link to central databases  | Goods and services | External | TMT2 CCS                   |
| d        | Link to LA online/web platform   | Goods and services | External | TMT2 CCS                   |
| e        | Link to back-up systems  | Goods and services | External | TMT2 CCS                   |
| <b>6</b> | <b>Local database(s) - set-up, access and links</b>                        |                    |          |                            |
| a        | Local database(s)  | Goods and services | External | TMT2 CCS                   |
| b        | Feed/link to central payment infrastructure database                       | Goods and services | External | TMT2 CCS                   |
|          | Link/uploads to or from DVLA / other databases                             | Goods and services | External | TMT2 CCS                   |
| <b>7</b> | <b>IT - integration to central payment infrastructure</b>                  | Goods and services |          |                            |
| a        | CAZ system link to central system  | Goods and services | External | TMT2 CCS                   |
| b        | LA website links to central system   | Goods and services | External | TMT2 CCS                   |
| <b>8</b> | <b>Enforcement and PCN / payment processing</b>                            |                    |          |                            |
| a        | Enforcement staff  | Goods and services | Internal | LA                         |

|           |   |                    |                   |   |
|-----------|---|--------------------|-------------------|---|
| b         | Mobile enforcement staff                      | Goods and services | Internal          | LA  |
| c         | Office costs                                  | Goods and services | Internal          | LA  |
| d         | Stationary                                    | Goods and services | Internal          | LA  |
| e         | Postage                                       | Goods and services | Internal          | LA  |
| f         | Appeals, queries and complaints handling      | Goods and services | Internal          | LA  |
| g         | Central payment system fees                   | Goods and services | External          | TMT2 CCS  |
| h         | DVLA query costs                              | Goods and services | External          | TMT2 CCS  |
| i         | Payment system set-up/licences                | Goods and services | External          | TMT2 CCS  |
| j         | Traffic Penalty Tribunal fees                 | Goods and services | Internal          | LA  |
| k         | Enforcement system set-up/licences            | Goods and services | Internal          | LA  |
| l         | Foreign vehicle enforcement                   | Goods and services | External          | TMT2 CCS  |
| m         | Other enforcement resources                   | Goods and services | External          | TMT2 CCS  |
| <b>9</b>  | <b>Signs</b>                                  |                    |                   |   |
| a         | Local sign design                             | Goods and services | Internal          | National Standard – LA will follow design set by JAQU |
| b         | Local sign supply (main)                      | Goods and services | Internal          | LA  |
|           | Local sign supply (minor)                     | Goods and services | Internal          | LA  |
| c         | Local sign installation, including power      | Works              | Internal          | Traffic Signals Group                                 |
| d         | Highways England / Strategic Road sign supply | N/A                | N/A               | N/A   |
|           | Highways England sign installation            | N/A                | N/A               | N/A   |
| e         | Minor works to roads / kerbs / pavements      | Works              | Internal          | Traffic Signals Group                                 |
| <b>10</b> | <b>Marketing and communications</b>           |                    |                   |   |
| a         | Development of communications plan            | Goods and services | External/Internal | NEPO Framework / LAs                                  |
| b         | Local media / advertising                     | Goods and services | Internal          | LA  |
| c         | National / regional media                     | Goods and services | Internal          | LA  |
| d         | Direct engagement awareness                   | Goods and services | Internal          | LA  |

|           |  |                    |                   |                              |
|-----------|--|--------------------|-------------------|------------------------------|
| e         | Mail campaign(s)                                 | Goods and services | Internal          | LA                           |
| f         | Social media                                     | Goods and services | Internal          | LA                           |
| g         | Other awareness                                  | Goods and services | Internal          | LA                           |
| h         | Website updates                                  | Goods and services | Internal          | LA                           |
| i         | General CAZ enquiry handling / customer service  | Goods and services | Internal          | LA                           |
| <b>11</b> | <b>Any External resourcing</b>                   |                    |                   |                              |
| a         | technical  | Goods and services | External          | TMT2 CCS                     |
| b         | IT   | Goods and services | External          | TMT2 CCS                     |
| c         | legal  | Goods and services | External          | External chambers / advisors |
| d         | procurement                                      | N/A                | N/A               | N/A                          |
| <b>12</b> | <b>Any internal resourcing for LA activities</b> |                    |                   |                              |
| a         | technical  | Goods and services | Internal          | LA                           |
| b         | IT   | Goods and services | Internal          | LA                           |
| c         | legal  | Goods and services | Internal          | LA                           |
| d         | project management                               | Goods and services | Internal          | LA                           |
| e         | procurement                                      | Goods and services | Internal          | LA                           |
| <b>13</b> | <b>Decommissioning activity</b>                  | Works              |                   |                              |
| <b>14</b> | <b>Linked monitoring activities</b>              | Goods and services |                   |                              |
| a         | CAZ scheme monitoring                            | Goods and services | Internal          | LA                           |
| b         | Air quality                                      | Goods and services | Internal          | LA                           |
| c         | Traffic levels                                   | Goods and services | Internal          | LA                           |
| d         | Economics / benefits                             | Goods and services | Internal/External | LA                           |
| e         | Other  | Goods and services |                   | N/A                          |