

# **Scalable Free-Flow Charging solution**

## **Pre-procurement briefing document**

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## 1. Introduction

Highways England has commenced market engagement activities in order to shape its thinking relating to sourcing a service provider(s) for a scalable free-flow charging solution.

### 1.1 Background

Highways England is in the early stages of developing a scalable free-flow charging solution for commencement of live service between 2021 and 2024, which will include schemes such as Dartford-Thurrock River Crossing. The solution would be a potential enabler to realising any longer term aspiration of interoperability between charging schemes and a smarter integrated service for the customer. Highways England wishes to speak to the market to gain their insights and experience in this field which will be fed into the development and make-up of the scalable free-flow charging solution.

### 1.2 Purpose of this Pre-procurement briefing document

This Pre-procurement briefing document has been produced to provide supporting material in advance of a supplier day and subsequent one-to-one meetings. It provides an overview of the key topics for discussion so that attendees can consider what contributions they can make to inform Highway England's thinking on sourcing of the required capabilities.

### 1.3 Purpose of the market engagement

Highways England is exploring different ways of breaking down the capabilities for a scalable free-flow charging solution and wishes to discuss these with the market.

The main objectives of the market engagement are to:

- Present to the market a way of separating the required capabilities into a number of contract packages and to seek feedback on the feasibility of this approach and any challenges to delivering the packages.
- Explore the risks and opportunities of further separating the potential contract packages into systems and people operations.
- Explore the role of Highways England as the integrator in a multi-package delivery model and any associated risks and mitigations.
- Understand any transitional challenges to a multi-package delivery model and ways of addressing them.
- Encourage dialogue on the best way to deliver capabilities including the website and merchant acquirer services.
- Discover more about the capabilities and maturity of the market place.

## 2. The free-flow charging processes

This section provides an overview of a potential packaging approach on which we are seeking feedback.

### 2.1 Potential packaging approach being explored

A potential packaging approach is made up of four packages:

- Package 1: Vehicle Identification - the detection of vehicles at the roadside and the creation of vehicle passage records (VPRs), identification of low confidence VPRs, image review and correction, and provision of management information.
- Package 2: Back office, customer service - charging payment processing, account registration/management, customer correspondence, financial processes and identification of contravention candidates for enforcement, and provision of management information.
- Package 3: UK Enforcement - dealing with contravention candidates whose vehicles are registered in the UK, handling the end to end enforcement process including processing of enforcement payments, and providing management information.
- Package 4: Non-UK Enforcement - dealing with contravention candidates whose vehicles are registered outside of the UK, handling the end to end enforcement process including processing of enforcement payments, and providing management information.

Part of the market engagement will focus on whether to source the following additional capabilities separately or as part of the packages described above.

- MIS database and one view reporting.
- Security audits.
- Website.
- Merchant Acquirer.
- Minor civil engineering works on the road.
- Enforcement Agents.

Highways England are currently considering a number of potential routes for acquiring each of the packages and capabilities indicated above, including:

- utilising internal capabilities;
- utilising existing public sector shared services;
- utilising existing contracts;
- procuring through Government framework agreements; and
- procuring through OJEU procedures.

### 3. Format of the market engagement

This section provides an overview of:

- The format of the supplier day to which you are invited to attend, including required actions and next steps.
- The supplier questionnaire which you are invited to complete after the supplier day.
- Next steps following the supplier questionnaire, including one-to-one meetings.

#### 3.1 The format of the supplier day

The goal of the supplier day is to gain market feedback on Highways England's current thinking and help Highways England develop a plan for the next steps. The event will consist of a series of presentations from Highways England outlining the current thinking and any challenges to be overcome. This will be followed by a question and answer session, and a briefing on the next steps.

#### Outline agenda and timings

The supplier day is expected to take the format outlined in Table 1.

**Table 1: Format of the supplier day**

**Event:** Supplier day on 9<sup>th</sup> February 2018 at 10am.

**Venue:** PA Consulting, 10 Bressenden Place, London, SW1E 5DN

Approx. time	Activities
10:00am - 10:15am	Welcome and introduction
10:15am - 11:00am	<b>Overview</b> Presentation covering: <ul style="list-style-type: none"> <li>▪ Introduction to Highways England and Department for Transport.</li> <li>▪ Ambition / vision of the project.</li> <li>▪ Indicative timeline for the procurement.</li> </ul>
11:00am - 11:45am	<b>Required capabilities</b> Presentation covering: <ul style="list-style-type: none"> <li>▪ Explanation of the required capabilities.</li> <li>▪ Key experiences of the delivery of the capabilities.</li> <li>▪ The potential packaging approach.</li> </ul>
11:45am - 12.30pm	<b>Market engagement details</b> Presentation covering: <ul style="list-style-type: none"> <li>▪ Walk through of the supplier questionnaire.</li> <li>▪ Next steps to be followed (how feedback from the supplier day and supplier questionnaire will be used).</li> <li>▪ Details of the follow-on one to one meetings.</li> </ul>
12:30pm - 1:00pm	<b>Questions and answers</b> Question and answer session and a recap of the next steps.

1:00pm	Wrap up and close.
1:00pm - 2:00pm	Lunch and networking.

### Actions required

Suppliers are required to familiarise themselves with the contents of this document in advance of the supplier day.

Interested parties are requested to read the pre-procurement briefing and to confirm their attendance at the market engagement day by emailing TechnologyProcurement@highwaysengland.co.uk by 5pm on 5<sup>th</sup> February 2018 should they wish to attend. Attendance is strictly restricted to 1 attendee per organisation. Lunch is provided. Interested parties should also outline any specific dietary or accessibility requirements.

### 3.2 The supplier questionnaire

Following the supplier day, a questionnaire will be made available which attendees will be requested to complete. Details of how to complete the questionnaire and the deadline for providing a response will be outlined during supplier day and in the supplier questionnaire itself.

The questionnaire will seek your feedback on the following areas:

- The feasibility of delivering the potential packaging approach.
- The role of Highways England as the integrator under a multi-package model such as the potential packaging approach.
- Risks and opportunities of further separating the potential contract packages into systems and people operations.
- Best practice approach to sourcing each of the packages and the additional capabilities identified in section 2.1 above.
- Capabilities of the market, including the latest software available and the software roadmap.
- Transitional challenges from a single package delivery model to a potential multi-package delivery model.

Any responses will be confidential between Highways England and the responding company.

### 3.3 Next steps following the supplier questionnaire

Highways England may invite suppliers who respond to the supplier questionnaire to one-to-one meetings to discuss specific topics in a greater level of detail. Highways England reserves the right to target the subject areas it wishes to speak about.

The planned structure of these meetings will be made available once Highways England has received and reviewed the questionnaire responses, but an outline structure is provided in Table 2 below.

Any responses and discussions during the one to ones will be confidential between Highways England and the responding company subject to any Freedom of Information requests.

**Table 2: One-to-one meeting outline details**

One to one meeting	
Meeting duration	Activities
Approx. 2 hours	<ul style="list-style-type: none"> <li>▪ Questions on software maturity and product roadmap (for systems</li> </ul>

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suppliers).

- Drill down into specific points of supplier questionnaire responses (for systems and people operations suppliers).
  - Demonstration of supplier software (for systems suppliers).
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All of the information gathered during the market engagement will then inform the procurement strategy to recommend the most viable ways of sourcing the required capabilities.

Highways England looks forward to receiving the supply market's inputs which will help contribute towards shaping the procurement of the required capabilities.

## **4. Terms of use of this Pre-procurement briefing document**

This Pre-procurement briefing document is provided solely for the purposes of obtaining feedback from interested suppliers on the potential commercial opportunities and market feasibility to provide the required capabilities.

It summarises certain aspects of the potential procurement, but does not purport to contain complete descriptions of all such potential arrangements nor does it describe all arrangements that have been or may be entered into in relation to any possible procurement. Any structures and capabilities described in this document are proposals only and should not be taken as final.

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