

## Report to Cabinet

Cabinet meeting 23 July 2020

Ray Dawe, Cabinet Member for Finance and Assets

### DECISION REQUIRED



**Horsham  
District  
Council**

**Open.** Appendix A is exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

## Contract Award for the Cash Collection Services Tender

### Executive Summary

The Council has undertaken a procurement exercise seeking to appoint one contractor to collect, consolidate and bank cash and coins from Council premises and car park machines.

A procurement exercise was undertaken following an open local tender process under the Light Touch Regime in Public Procurement Regulations 2015. This process has now been completed and a number of bids were received as detailed in Appendix A.

Following the procurement exercise, it is recommended to award the contract to Supplier A.

The duration of the contract will be a period of 3 years commencing on 1 November 2020 until 31 October 2023, with an option to extend for a further 24 months.

### Recommendations

Cabinet is recommended:

- i) To award the cash collection services contract to Supplier A.

### Reasons for recommendations

The recommendation to make the award to Supplier A is the result of a formal evaluation process, leading to the conclusion that their offer is commercially and technically the most economically advantageous tender.

**Background papers:** None

**Wards affected:** All

**Contact:** Dominic Bradley, Head of Finance, 01403 215302

## Background Information

### 1 Introduction and background

- 1.1 The current contract for cash collection with Jade Security Services Ltd expires 31 October 2020. This contract has already been extended as many times as permitted under the contract.
- 1.2 A project group was established to review the Council's requirements and revise the specification. This project group have also been involved in the evaluation of the tender received.

### 2 Relevant Council policy

- 2.1 The safe collection of income from Council premises and cash machines within our car parks links to a few of our District Plan priorities.
- 2.2 Efficiency and Taxation – getting the best return on all Council assets. Ensuring that all income is safely collected ensures that the expected revenue streams stay on target and reduce any impact from malfunction, crime and vandalism.
- 2.3 Safer and Healthier – reduce crime, fear of crime and anti-social behaviour. Collecting our money from machines and premises regularly and in a safe way, reduces attempted theft and the impacts of crime on the local area.

### 3 Details

- 3.1 The Council followed an open local tender process under the Light Touch Regime in Public Procurement Regulations 2015.
- 3.2 Three tenders were returned by the due date of 3 June 2020.
- 3.3 There was a three stage evaluation process:
  - i) **Self- certification** – all three companies certified that they could meet the Council's minimum requirements
  - ii) **Technical / Quality submission** – an assessment of the tenderers' ability to deliver the requirements of the contract represented 30% of the evaluation criteria. This included security, operational, contract management and business continuity considerations.
  - iii) **Commercial submission** – an assessment of the financial rates submitted by each tenderer and represented 70% of the evaluation criteria. The lowest overall price over the initial contract duration of three years received the maximum score with the other bids expressed as a percentage of the lowest bid.
- 3.4 The commercial and technical scores were added together to achieve the tenderer's final total score out of 100%. Supplier A were identified as the most economically advantageous tender and confirmed as the preferred bidder.

- 3.5 The project group consisted of procurement, finance and legal professionals as well as representatives from car parking services.
- 3.6 The tender process identified that TUPE (Transfer of Undertaking Protection of Employment Regulations 2006) should not be applied.

## **Evaluation**

- 3.7 The final evaluation scores were agreed by all members of the Project Group at a meeting held on 18 June 2020. The scores are set out in Appendix A.

## **4 Next steps**

- 4.1 The Cabinet is requested to approve the award of this contract to Supplier A from 1st November 2020 for a period of 3 years on the terms and conditions supplied in the tender documentation
- 4.2 Upon Cabinet Member approval, notification of the intention to award a contract to be sent to all tenderers by Procurement Team.
- 4.3 It is anticipated that letters shall be sent to all tenderers 24 July 2020 whereupon a mandatory 10 calendar day standstill period will commence.
- 4.4 Upon conclusion of the standstill period without challenge from any of the other tenderers the formal contract award may commence.

## **5 Views of the Policy Development Advisory Group and outcome of consultations**

- 5.1 The draft report on the cash collection tender process was considered by the Finance and Assets Policy Development Advisory Group on 2 March 2020. The Group were supportive of the proposed process and actions.
- 5.2 Consultation with the relevant stakeholders has taken place, with the majority of the stakeholders forming part of the project group these include Parking Service and Finance. These services were involved in all aspects of the procurement process including the creation of the tender documents and evaluation of tender submissions.
- 5.3 The Director of Corporate Resources and the Monitoring Officer were consulted and their comments are included within the relevant aspects of the report.

## **6 Other courses of action considered but rejected**

- 6.1 None. The Council is required to put the contract out to tender for competition.

## **7 Resource consequences**

- 7.1 There are no adverse financial consequences identified in respect of this contract award.

7.2 A reduction in costs is anticipated during 2020/21, although primarily due to the reduction in volumes and frequency of cash collected. The expected cost is within the current budgeted expenditure in 2020/21.

7.3 There are no staffing consequences.

## **8 Legal consequences**

8.1 None. The Council is required to have a formal contract let in accordance with the Public Contract Regulations 2015 to cover these services. The procurement process followed these Regulations with contract advice being provided by Legal Services.

## **9 Risk assessment**

9.1 The inherent risks in providing a cash collection services are addressed by requiring the service provider to hold membership of relevant professional bodies and adequate insurance

## **10 Other considerations**

10.1 The tender process and contract have been structured to ensure that the service provider is aware of and agrees to comply with the Council's policies on safeguarding and equalities and diversity. The service provider is also required to have a strategy in place to reduce the environmental impact of the service in accordance with the Council's ongoing commitment to climate issues.