



To: Executive Councillor for Planning and Sustainable Transport: Councillor Tim Ward
Report by: Sean Cleary
Relevant scrutiny Environment 10/1/2012
committee: Scrutiny Committee
Wards affected: All Wards

CASH COLLECTION Key Decision

1. Executive summary

Cambridge City Council Parking Services currently manages a cash collection contract with BDI, which, expires on 31st March 2012 (although it does include an option to extend by 2 year(s)). This contract is for the collection of cash from the city's car parks and a few other service/office areas within the council as well as Cambridgeshire County Council pay and display machines. The City Council also has a separate contract with Loomis for cash collection from some of our other sites. Both authorities currently have a requirement for secure cash in transit services between a number of site offices directly to their bank. Cambridgeshire County Council have already given notification of leaving this contract and have invited Cambridge City Council to join into their own County wide cash collection procurement for which it is planned a new contract will be in place and the service go live on the 1st April 2012. As well as joining with County on this collaboration we are also taking the opportunity to consolidate our own disparate requirements into one corporate contract.

2. Recommendations

The Executive Councillor is asked to recommend this corporate city wide cash collection contract (which is included in the Council's Forward Plan) for approval by Council. The value of the new Cambridge City Council contract is estimated to be £125,000 (indicative cost) per annum.

- There are no Capital costs arising from this scheme.
- The revenue costs associated with this contract will be paid from existing revenue budgets

- Cambridge City Council is collaborating on a joint procurement with Cambridgeshire County Council to reduce tendering costs and to generate efficiencies. The Councils having been working together to benchmark their existing contract prices with wider market rates and feel that further cost reductions and efficiencies can be gained against current prices for both authorities.

Procurement recommendations:

The Executive Councillor is asked to approve the carrying out and completion of a procurement exercise to award a corporate cash collection contract to commence on the 1st April 2012. The contract will operate for an initial period of three years with the option to extend for up to a further 2 years.

This is a joint procurement exercise with Cambridgeshire County Council where each authority will be entering into their own specific cash collection contract (although the core prices and terms will be consistent to give us the maximum market leverage).

- The Councils are managing this procurement process in accordance with the Public Contracts Regulations 2006 (as amended). Both of the council's procurement teams have recommended the ESPO 324F Cash Collection Framework Contract as a route to compliant procurement for their cash collection service requirement
- The preferred option is to negotiate a market value price with BDI who are the only company in the Eastern region part of the ESPO (Eastern Shires Purchasing Organisation) National framework. Such a single source negotiation is legitimate against this framework and will be measured against wider market benchmark price data. If however we are unable to meet a satisfactory agreement we will go out to tender (a new tender exercise and not against the framework) and award contract. This could be either a Cambridge City cash collection contract or in conjunction with Cambridgeshire County Council. That approach would entail an extension of time of the existing contract (legitimate against the built in option)
- If the quotation or tender sum exceeds the estimated contract value by more than 15% the permission of the Executive Councillor and Director of Resources will be sought prior to proceeding.

3. Background

Cambridge City Council Parking Services is responsible for running Council owned car parks throughout Cambridge. Parking Services also contract manages a cash collection contract for a number of other service areas within the council such as the box office, public toilets, Ditchburn Place and the Meadows Centre. This contract includes cash collections for Cambridgeshire County Council on street pay and display machines.

There are however still some Cambridge City Council areas such as cashiers and housing that utilises the services of another cash collection company (Loomis) to provide secure cash in transit between their collection points and their bank. As a result we are looking to bring these arrangements together and to join the Cambridgeshire County wide cash collection tender, as both authorities currently have requirement for secure cash in transit service between a number of site offices directly to their bank.

It is to be noted that other Districts in Cambridgeshire (whose existing contracts expire at later dates) have shown possible interest in joining this contract downstream. This may provide opportunities for further efficiencies.

4. Implications

(a) Financial Implications

This contract is still to be finalised with prices to be agreed with the contractor. Therefore, at this stage we can only provide indicative costing/figures. We hope to be able to provide more accurate figures and savings once these discussions have taken place.

(b) Staffing Implications

BDI are our current cash collection contractors and they are the only company in the Eastern region part of the ESPO framework, therefore there are no TUPE implications to BDI staff.

(c) Equal Opportunities Implications

No EQIA completed.

(d) Environmental Implications

As part of this section, assign a climate change rating to your recommendation(s) or proposals. You should rate the impact as either:

- +L: A single City and County wide cash collection contract may

enable more efficient pick up and delivery from a variety of different locations through optimum route planning. It is intended to review route collection schedules/ frequencies throughout the contract period to strive to minimise vehicle mileage / use

(e) **Consultation**

The details of a cash collection contract and collection schedule cannot be made public

(f) **Community Safety**

N/A

5. Background papers

These background papers were used in the preparation of this report:

*Cash collection specification and collection schedules
(Contains commercially sensitive and secure information reference collection schedules).*

6. Appendices

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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