

ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	28 September 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Cash in Transit Services 2010-2013 – Award of Contract
REPORT NUMBER:	CG/10/160

1. PURPOSE OF REPORT

- 1.1 To advise Committee of the recent tender exercise for the provision of Cash in Transit Services for Aberdeen City Council and to seek approval to award the contract to the preferred bidder.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Council approve the award of the contract for Cash in Transit Services, for a period of 3 years, commencing on 1 October 2010, to Loomis UK Ltd.

3. FINANCIAL IMPLICATIONS

- 3.1 The total cost of the resulting contract for Aberdeen City Council will be £ 330,264.90 over the 3 year contract period.
- 3.2 The current level of expenditure for the Council is £137,164.04 per annum. Compared to the new contract, annual savings of £27,075.40 will be made.
- 3.3 The costs can be met from the existing Service Revenue Budgets. Furthermore, the identified savings will be allocated to appropriate Services and these budgets will be reduced accordingly.

4. OTHER IMPLICATIONS

- 4.1 The savings will be partly accrued through a reduction in the number of cash uplifts from particular sites which also saves staff time in the processing of monies.
- 4.2 The cash uplift rota for the pay and display machines has been re-assessed to reduce the amount of collections where it is permissible to do so. In turn this also reduces the logistical costs of the provider which are factored back to us.

5. BACKGROUND/MAIN ISSUES

- 5.1 The agreement with the Council's current Cash in Transit Services provider expires on 30 September 2010 and a new tender exercise was led by the Central Procurement Unit (CPU) to cover future needs.
- 5.2 The Council has a mandatory requirement to ensure that all monies being stored and banked by Services are accounted for accordingly in a clear and robust manner. An onsite cash safe option slightly increases cash uplift charges but in turn allows for a reduced number of collections leading to a reduced overall uplift charge for sites with the safes. The tender specification required tenderers to demonstrate safe option capability or similar innovations which could provide for a reduced overall cash handling charge combined with an improvement in cash storage and security.
- 5.3 All tenderers were required to be members of the British Security Industry Association with BS7858, Security and Screening Vetting accreditation.
- 5.4 This is a joint tender between Aberdeen City Council and Aberdeenshire Council with both Councils implementing the contract that flows from this procurement process. This approach reflects what is presently in place giving both Councils the added benefits derived by undertaking a larger scale contract.
- 5.5 The requirement was advertised in accordance with EU Legislation and the Council's Financial Regulations. Only two tender responses were received from interested bidders and this was expected as the marketplace is very limited. A comprehensive evaluation was led by the CPU with representatives from both Aberdeen City Council and Aberdeenshire Council participating.
- 5.6 The two received bids were from Loomis UK Ltd and G4S Cash Solutions UK Ltd. Both firms have branches in Aberdeen.
- 5.7 The undernoted table shows the evaluation criteria and weightings used to assess the bids. The bid received from G4S Cash Solutions UK Ltd did not address the requirements of the specification in full and was therefore non-compliant. The offer received from Loomis UK Ltd returned an overall evaluation score of 84.71%.

Criteria	Percentage
Overall Price	50%
Ability to meet service requirements stated in the Specification	35%
Minimised operational impact of implementation/transfer arrangements	10%
Evidence of quality of service from Service Quality & Qualification Questionnaire	5%
Total Percentage	100%

6. IMPACT

- 6.1 This report links to the Interim Business Plan 2010-2013 as we continue to strive for best value for money and to maximize efficiency in service delivery.
- 6.2 This report has no direct implications in relation to Equalities & Human Rights Impact Assessment.

7. BACKGROUND PAPERS

N/A

8. REPORT AUTHOR DETAILS

Tracey Boylan
 Category Manager, Central Procurement Unit
 Tel. No. 01224-664104
 Email tboylan@aberdeencity.gov.uk