

Report to Cabinet
14 October 2020
Report of Director of place
Subject The award of contract for cash collections.

Item

12

KEY DECISION

Purpose

To seek approval to award a contract for Cash collections.

Recommendation

To award the contract for cash collections to Security Plus Limited for a four year period from 01 April 2021 to 31 March 2025.

Corporate and service priorities

The report helps to meet the corporate priority Great neighbourhoods, housing and environment

Financial implications

Cash collections currently cost approx. £120,000 for the on street pay and display machines and the off street car parks. These are financed through the on and off street enforcement budget.

Ward/s: All Wards

Cabinet member: Councillor Stonard - Sustainable and inclusive growth

Contact officers

Joanne Deverick - Parking and markets service manager 01603 989320

Andy Watt – Head of city development 01603 989618

Background documents

None

Report

Background

1. A corporate cash collection contract was adopted by the council in 2013, collections are required across the council in the following areas:
 - Parking services, on and off street collections including multi storey car parks
 - Finance, although the council is becoming increasingly 'cashless' there is still a limited requirement at City Hall
 - Leisure services, at the Norman Centre
2. Market pricing for cash collections has increased. With this in mind, savings can only be realised by reducing the number of collections required. The impact of cashless processes across the council has already reduced with collections from City Hall and the Norman Centre from weekly to four weekly
3. Cashless payments for both on street and off street car parks will be introduced sometime in 2021; likewise, there have been changes to customer behaviour in response to Covid19. In multi-storey car parks, cashless payments are used for 70% of transactions, so the reductions in cash collections are likely to be significant over the contract term. These introductions are anticipated to significantly reduce the contract value over the contract term
4. The ability to future proof the contract and reduce the number of collections will be built in to the contract. Sixth monthly collection schedules will be submitted, reflecting any changes in requirements as we move toward cashless payments. Scope in the contract allows a maximum value of £400,000 to accommodate approximately £10k per annum of potential collections arising from Norwich City Services Ltd, but again it is not envisaged this element will be required as they will be cashless.

Value

5. Cash collections currently cost approx. £120,000 per annum. The budget is primarily met from parking services, with the cost of collections from on street pay and display ticket machines deducted from Norfolk County Council surplus. Parking cash collections are split between off street car parks (45%), multi-storey car parks (27%) and on street parking (28%) of the total cost, less than £1k per annum is split between the Norman Centre and City Hall.
6. Estimated value of the service from Security Plus Ltd is £90k per annum, totaling approximately £360k over the full four years of the contract. This will deliver an anticipated reduction in contract value of £115k over the four years compared to the current contract. Following deductions from County, the anticipated saving to the council will be £25,200 per annum at the current cash collections levels.

7. Approximately £10k per annum is allowable for potential Norwich City Services collections that will be met through recharge back to the company.
8. Given the move to cashless payments options for parking, it is expected that savings will be significantly greater than £19.5k. The contract will allow for re-assessment of value for money services six monthly, and a break clause after an initial term of two years.

Procurement process

9. The route to market was via a procurement framework, jointly run by EEPO and CCS. Under this framework suppliers are pre-assessed for quality and standardised catalogue process are used. Only three regional suppliers are available via the framework.
10. All three suppliers were assessed for the contract. As quality was pre-assessed the evaluation placed 100% weighting on the price quoted
11. A desktop evaluation was made using 100% pricing was conducted with the only three suppliers available regionally.
12. Using a reduced cash collection schedule, the following pricing was returned:

Security Plus Limited	£89,582
BDI Securities UK Ltd	£95,035
G4S Cash Solutions (UK) Ltd	£105,443

13. The most economically advantageous supplier is identified as Security Plus Limited.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	14 October 2020
Director / Head of service	Graham Nelson, Director of Place
Report subject:	The award of contract for cash collections
Date assessed:	28 September 2020

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contract will ensure that it is value for money for the city council and will include clauses for price reductions when cash volumes drop
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment
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Positive

Contract will ensure that it is value for money for the city council and will include clauses for price reductions when cash volumes drop

Negative

None

Neutral

None

Issues

None
