



Haringey Council

Agenda item:

[No.]

Cabinet Procurement Committee

on 15th September 2009

Report Title: Contract for Cash/Cheque Collection from Council Buildings and Parking Facilities	
Report of: Julie Parker, Director of Corporate Resources	
Signed : <i>J. Parker 7/9/09.</i>	
Contact Officer : Martin Stringer, Head of Income and Debt Management	
Wards(s) affected: All	Report for: Key decision
1. Purpose of the report (That is, the decision required) To seek Member approval for the award of a contract for the Provision of Cash/ Cheque Collection and Deposit Service from Haringey Buildings including schools, Car Parks and CPZ Meters	
2. Introduction by Cabinet Member I endorse the recommendations in this report and the work done to deliver savings in this contract procurement exercise.	
3. State link(s) with Council Plan Priorities and actions and /or other Strategies: The contract for Cash/Cheque Collection and Deposit Service from Haringey Buildings including schools, Car Parks and CPZ Meters links with the Council's Strategy and Performance priority to deliver excellent services, offering excellent, customer focused, cost effective services.	

4. Recommendations

That Member's approve the award of a three year contract for Cash/ Cheque Collection and Deposit Service from Haringey Buildings including schools, Car Park's and CPZ Meters to the contractor named in Appendix A.

5. Reason for recommendation(s)

This is an essential service and the existing contracts are overdue for renewal. As part of the tender process a VFM review was carried out on the existing service and as a result a more cost effective, flexible service is proposed that will better cater for the individual requirements of the stakeholders involved.

6. Other options considered

As part of the tender process, providers were given the option to bid on all or part of the service required.

7. Summary

7.1. The supply of the Cash/ Cheque Collection and Deposit Service from Haringey Buildings including schools, Car Park's and CPZ Meters is a Part A Priority Service and therefore falls under the EU Directives. It is mandatory for the Council to run a competitive tendering process.

7.2. An open tender process for the new contract commenced by sending out a publication in the Official Journal of the European Union (OJEU) and was advertised on the Council's website.

7.3. Two valid tenders were received and these were evaluated in line with the criteria set out in the ITT documentation (which was based on 55% Quality and 45% Price). The evaluation was concluded on 18th June 2009 and the final scores are outlined below:

Company	Quality Score	Financial Score	Total score
Company A	95	75	170
Company B	196	180	376

7.4. Please see Appendix A: Exempt information

7.5. Company B scored highest in the evaluation and were most competitive in price. The recommendation is that the contract be awarded to Company B.

7.6. The contract will be monitored through the Council's Contract Management System and Contract Management reviews will be carried out every three months in the first year and lesser (every six months) as the contract is established in the second and

third year.

8. Chief Financial Officer Comments

The Chief Financial Officer confirms the 20091/0 budget available for this service as set out in paragraph 13 and also confirms that the annual saving achieved will be attributed to the corporate procurement savings targets as it has been delivered via procurement contract activity.

9. Head of Legal Services Comments

9.1 The Director of Corporate Resources is seeking Cabinet Procurement Committee approval to award the contract for Cash/Cheque Collection and Deposit Service from Haringey Buildings including schools, Car Parks and CPZ Meters to the contractor referred to in paragraph 7.6 of this Report.

9.2 The services are priority activity services and above the threshold where tendering in Europe is required under the Public Contracts Regulations 2006 (currently £139,893). In accordance with this requirement, a European tender process was followed.

9.3. The Procurement Committee has power under CSO 11.03 to approve the award of contract.

9.4 The award of this contract is a key decision as it involves a contract valued at over £500,000. A key decision is required by CSO 11.04 to be included in the Council's Forward Plan. The Director of Corporate Resources has informed Legal Services that this has been done.

9.5 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendation as to the proposed contract award set out in paragraph 4 of this report.

10. Head of Procurement Comments

10.1 This procurement process was carried out with help and guidance from CPU and followed the EU procurement rules and the Council's Procurement Code of Practice.

10.2 This recommendation represents value for money for the Council as the market has been tested by a fair and transparent tendering process. The risk of challenge is minimised by carrying out the process.

10.3 The recommended supplier will receive Contract Review Monitoring on a 3 month basis with email alerts, for such monitoring, sent automatically from the Contract Management System.

11. Equalities and Community Cohesion Comments

An equalities impact assessment was carried out in advance of the tendering process.

12. Consultation

Relevant services and end users such as schools were consulted on the proposals,

13. Service Financial Comments

13.1 The proposed contract covers all known cash/cheque collections undertaken across the Council.

13.2 The 2008/09 spend on the secure cash / cheque collection service was £225k. The proposed cost of this service under the new contract is estimated at £210k against a 2009/10 budget of £248k generating a budget saving of £38k per annum.

13.3 This saving has been earmarked to offset the corporate procurement saving target and assuming the contract is approved, budgets within the Haringey Payment Service will be reduced to reflect the reduced contract price.

13.4 Under the existing contract, the Council is required to provide 1 months notice to the current contractors.

13.5 The new contract will be for three years and total value is estimated at £630k

14. Use of appendices /Tables and photographs

Appendix A: Exempt information

15. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. Exempt information is contained in Appendix A and is not for publication. The exempt information is under the following category (identified in the amended schedule 12A of the Local Government Act 1972):

- (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).