



Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

The Provision of Cash Collection Services

Tender Reference :- GCC006347CPU

Purpose of Report:

To submit details of the tenders received for the provision of cash collection services and recommend acceptance of the most economically advantageous tender as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the award of a contract for the provision of cash collection services to the supplier listed below.

G4S Cash Solutions (UK) Limited
Companies House Number - 00354883

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1 Background and Tender

- 1.1 Glasgow City Council's ("the council's") annual spend for the provision of cash collection services is £315,977.
- 1.2 The council has a requirement for the provision of cash collection services for various departments, throughout numerous locations across the city, within facilities such as museums, sports centers and general office type locations.
- 1.3 The main user department is Neighbourhoods, Regeneration and Sustainability (NRS) which is responsible for on-street enforcement and approximately 1164 pay and display machines. The following departments also require cash/cheque pick up and processing and delivery:
- Health and Social care Partnership (HSCP)
 - Glasgow Life
 - Financial Services
 - Encore
 - Catering and Facilities Management (CFM)
- 1.4 The spend split for the above departments is shown in the table below:

Department	Approximate Spend Split over 12 months
NRS	£260,829
Health and Social care Partnership (HSCP)	£4,885
Glasgow Life	£29,528
Encore	£17,282
CFM	£1,113
Financial Services	£2,340

- 1.5 The scope of the services encompasses all associated activities to do with cash collections such as (but not limited to) collection of cash and cheques, counting at a central secure cash location, receipting and banking and the provision of cash.
- 1.6 A commodity team consisting of stakeholders from NRS, Glasgow Life, Encore, HSCP, Finance & CFM and the Corporate Procurement Unit (CPU) was formed to develop the sourcing strategy and deliver a new contract.
- 1.7 In line with the effective and efficient objective within the Council's Sustainable Procurement Strategy 2023-2027, which can be located [here](#), and to support the national agenda in utilizing national collaborative frameworks, it was agreed that a mini competition process from Lot 4 of Scotland Excel's (SXL) framework for Security Services and Cash Collection, reference 2322, would be the most appropriate method to deliver this contract.

- 1.8 The duration of the contract is for 3 years with the option to extend for a period of up to 15 months.
- 1.9 The contract will be utilised by NRS, Financial Services, Glasgow Life, Encore, Catering and Facilities Management and Health and Social Care Partnership.

2 Evaluation

- 2.1 3 suppliers on Lot 4 of the SXL framework were invited to bid and 3 submitted a bid. 2 suppliers failed to achieve the minimum quality threshold score of 17.5% as detailed in the invitation to mini-competition document and were therefore not taken through to award stage.
- 2.2 The award evaluation was based on the following criteria and weightings:-

Lot	Price	Quality	Quality Sub Criteria
1	65%	35%	Methodology 15%
			Process for Programme Changes 10%
			Escalation Procedure 5%
			Sustainability 5%

- 2.3 The evaluation of award scoring and award value of the supplier which has been recommended for award within this lot is shown in the table below:-

Lot	Description	Supplier	Total Evaluation Score	Value (per annum)	Rank
4	Cash Collection Services	G4S Cash Solutions (UK) Limited	93.00	£300,467	1

3 Contract implementation and Supplier Management

- 3.1 Within 7 days of award of the contract, the council and the successful supplier will be required to have held a contract mobilisation meeting to discuss key details of the contract. The contract mobilisation activity will be minimum as the supplier recommended for award is the incumbent supplier.
- 3.2 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a medium. The supplier will be monitored in line with our contract and supplier management process which includes tracking the suppliers performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.

- 3.3 The agreed community benefits outcomes commitments will be monitored via Cenefits which is a web based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

4 Policy and Resource Implications

Resource Implications:

Financial:

The estimated annual spend is £300,467, based on historic/predicted volumes and the new rates, totaling £1,276,984 over the 51-month contract duration if the extension period is taken.

The spend will be met by the service areas budget.

The contract provides an estimated yearly saving of £15,510 per annum, totalling £65,917 over the 51-month period.

The contract will be awarded based on the schedule of rates which are fixed for the first 12 months of the contract.

Legal:

The report raises no new legal issues.

The Director of Legal and Administration will be responsible for concluding the contract.

Personnel:

No direct personnel implications.

Procurement:

A mini-competition process as detailed in section 1.6.

Council Strategic Plan:

This supports Grand Challenge 4 and Mission 1.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25

Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality.

What are the potential equality impacts as a result of this report?

An EQIA was not required for this contract as there is no impact.

Please highlight if the policy/proposal will help address socio economic disadvantage.

Fair Work First was included at SXL framework level and G4S Cash Solutions (UK) has confirmed the following Fair Work First policies within its tender submission:

- Provide appropriate channels for effective workers' voice
- Investment in workforce development
- No inappropriate use of zero-hour contracts
- Action to tackle the gender pay gap and create a more diverse and inclusive workforce
- Offer flexible and family friendly working practices for all workers from day one of employment
- Oppose the use of fire and rehire practice

Community Benefits was included as part of the tender process with 50 points being requested based on the projected spend.

The supplier recommended for award, G4S Cash Solutions (UK) Limited, has confirmed the following outcomes:

- 1 x New Employee - Full Time Job (from Priority Group)
- 1 x New Employee - Full Time Job (non-Priority Group)
- 1 x New Employee - Part Time Job (from Priority Group)
- 1 x Community Engagement - Financial Support (minimum £1k)

The proposal supports outcome 1 of the councils Equality Outcomes 2021 to 2025.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Yes, this procurement contributes to action points 6 and 22.

What are the potential climate impacts as a result of this proposal?

Vehicles will be used in the running of this contract. G4S Cash Solutions (UK) Limited's vehicles make thousands of essential journeys in the UK every year to keep cash moving between people, businesses and banks. G4S Cash Solutions (UK) Limited have invested in clean electric vehicles to help reduce the impact of these necessary journeys on the environment.

Will the proposal contribute to Glasgow's net zero carbon target?

Yes as above.

The key mitigations are as follows:

- G4S Cash Solutions (UK) Limited has not sent waste to a landfill site since 2018 and still have a continued drive to reduce single use plastic.
- Have piloted using reusable deposit containers, portable Bulk Note Feeders and cloth bags for coins.
- Are working towards their buildings and supporting infrastructure to be ISO 14001 accredited
- Monitoring of excessive idle hours and provides training to our Couriers on this topic.

Privacy and Data Protection impacts:

No data protection impacts identified.

5 Recommendations

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