

West Dunbartonshire Council
Report by the Executive Director of Corporate Services
Tendering Committee – 20 April 2011

Subject: Provision of Automated Remittance Payment Kiosks

1. Purpose

- 1.1 The purpose of this report is to advise Members of the recent tendering process undertaken in respect of the provision of automated remittance payment kiosks.

2. Background

- 2.1 On 26 May 2010 approval was granted by the Corporate and Efficient Governance Committee to commence a specification and tendering process for the procurement of automated remittance payment kiosks.
- 2.2 The provision of the automated remittance kiosks will contribute to a reduction of the costs of cash collection services within the Council while at the same time providing the opportunity to enhance the level of cash collection services offered by the Council to members of the public.

3. Main Issues

- 3.1 Officers of the Council drew up an Invitation to Tender document which was published on Public Contracts Scotland.
- 3.2 Although twenty companies registered an interest and received a copy of the tender document, only two tenders were submitted. These were from Allpay and Scan Coin Ltd.
- 3.3 An evaluation panel was formed to review the tenders and comprised of officers from Finance-Client & Support Services, Finance-ICT and Corporate Procurement. The panel evaluated the tender on both financial and quality elements as per the invitation to tender. The evaluation weightings were 60% financial and 40% quality. The Summary of Tender Scores is shown at Appendix 1.

4. People Implications

- 4.1 There are potential implications on staffing levels as a result of the provision of automated remittance payment kiosks in premises where physical cash collection services are currently provided by the Council. Any changes to the service provision will be made in accordance with the Council's Organisational Change Policy.

5. Financial Implications

- 5.1** The invitation to tender requested suppliers to quote for the initial supply of three cash kiosk machines plus the option to call off further kiosks if required by the Council. For the purpose of evaluating the bids received it has been assumed that the Council would procure a total of five machines. Costs have also been estimated over a four year period.
- 5.2** The selection of the most suitable provider of automated remittance payment kiosks should result in increased efficiencies in relation to day to day costs of collection.
- 5.3** The evaluation of the tender in terms of financial cost to the Council showed that supplier 2 has provided the most competitive quote by a substantial margin. The costs over the 4 years are estimated at £196,301.20 for supplier 1 compared with £125,490.25 for Supplier 2.

6 Risk Analysis

- 6.1** There is a risk that, if the provision of automated remittance payment kiosks contract is not awarded, the Council may not be able to achieve best value in relation to these services.

7. Equalities, Health & Humans Rights Impact Assessment (EIA)

- 7.1** No significant issues were identified.

8. Conclusions and Recommendations

- 8.1** Members are asked to note the tendering process for the provision of automated remittance payment kiosks and approve acceptance of the tender submitted by supplier 2.

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Date: 7 April 2011

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Appendix: Summary of Tender Scores

Background Papers: Report by the Executive Director of Corporate Services to the Corporate & efficient Governance Committee on 26 May 2010

Wards Affected: None