

REPORT TO: Executive Board

DATE: 19 September 2013

REPORTING OFFICER: Strategic Director – Policy & Resources

SUBJECT: Capita – Payment Systems Maintenance

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To seek waiver approval in accordance with Procurement Standing Order 1.8.3(a) where compliance with Standing Orders is not possible due to there being only one possible contractor.

2.0 RECOMMENDATION: That the competition requirements of Procurement Standing Order 4.1 be waived to pay the annual maintenance charge for the payment systems provided by Capita.

3.0 SUPPORTING INFORMATION

3.1 The Council procured an income management system from Capita in 2004. Since then a number of additional related applications have been purchased from Capita to ensure that the Council's systems have kept pace with advances in technology and the changes in the ways that customers pay for goods and services.

3.2 The applications currently supplied to the Council by Capita include:

- AXIS income management system
- Cash and cheque receipting system
- Chip and Pin licences
- Telephone payments system
- Internet payments system
- Internet portals for licensing applications, planning applications and miscellaneous payments

3.3 The continued use of these applications requires an annual maintenance payment to Capita. The charge for 2013/14 is £17,104. It is not possible to seek competitive tenders from elsewhere as the system is provided by Capita. A waiver is therefore sought as this sum exceeds the £1,000 competition requirement threshold set in Procurement Standing Order 4.1.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 There are no policy implications.

4.2 There are no additional financial implications. The annual maintenance charges are provided for in the Council's revenue budget (cost centre 2729).

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Systems to collect, account and reconcile the Council's income are integral to the management and control of the Council's finances. As such, these systems contribute to the Council's ability to deliver all its priorities.

6.0 RISK ANALYSIS

6.1 Continued use of the existing income collection and management systems provided by Capita are conditional on the payment of an annual maintenance charge.

6.2 An alternative would be to replace the existing Capita system. However, this is not achievable within the current financial year. Furthermore, the initial outlay of replacing the existing system is likely to far exceed the cost of upgrading the existing system.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None

8.0 LIST OF BACKGROUND PAPERS

None under the meaning of the Act