

**REPORT TO:** Executive Board

**DATE:** 19 September 2013

**REPORTING OFFICER:** Strategic Director – Policy & Resources

**SUBJECT:** Upgrade to Capita Income Management System

**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 facilitate an upgrade of the Council's income management system that is provided by Capita.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Council's income management system has been provided by Capita following a procurement exercise undertaken in 2004. The system is integral to the Council's financial management as all transactions in the Council's receipts bank account are processed through it into the general ledger.

3.2 For the system to continue to be supported by Capita the Council must use either the latest or latest but one version of the software. The current version in use will cease to be supported by Capita from January 2014 and therefore requires upgrading.

3.3 As the Council uses a Capita system, Capita are the only company that can undertake the required upgrade for the Council. It is therefore not possible to undertake a competitive procurement process.

3.4 The cost of the upgrade is £8,995. A waiver is 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. A provision to fund the upgrade has been set aside.

## **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

- 5.1 A system to account and reconcile for the Council's income is central to good financial management, which underpins the Council's ability to deliver all its priorities.

## **6.0 RISK ANALYSIS**

- 6.1 If the income management is not upgraded it will no longer be supported by Capita from January 2014. This could seriously undermine the Council's ability to account and reconcile income should any issues requiring support and maintenance arise.
- 6.2 An alternative would be to replace the existing Capita system. However, the cost of this option 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