

**REPORT TO:** Executive Board

**DATE:** 21 November 2013

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

**SUBJECT:** Income Management System – Online Payments

**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 the upgrade of the Council's online payment engine with Capita Paye.net portal and Internet Payments portal.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Council is in the process of replacing its website to facilitate a larger number of transactional services. As part of that process it is necessary for the payment engine to be upgraded in order to allow ease of use for the customer as well as integration with our current financial management system, Agresso, our existing Cash Receipting system AIMS (used for telephone payments) and our Customer Relationship Management system (CSD) used by our Contact Centre and One Stop Shops.

3.2 The integration necessitates the purchase of two Capita products called 'Paye.net portal' and 'Internet Payments portal'. These products ensure that both internal departments and external customers are able to make secure credit and debit card payments via the web. As stated previously, these products integrate with our existing financial management and payment systems, and together will provide a seamless payment service for our customers.

3.3 Capita is the only provider of 'Paye.net' and 'Internet Payments' portals that will integrate easily with our current Capita telephone payment and Agresso financial management systems. It is therefore not possible to undertake a competitive procurement exercise.

- 3.4 The cost of purchasing and installing 'Paye.net' and 'Internet Payments' portals is as follows:

<i>If ordered <b>before</b> 30<sup>st</sup> November 2013</i>		
<b>Product Name</b>	<b>One-Time Cost</b>	<b>Annual Support Cost</b>
Paye.net	£9,995	£1,000
Internet Payments	£9,995	£1,000
<b>Total</b>	<b>£19,990</b>	<b>£2,000</b>

<i>If ordered <b>after</b> 30<sup>st</sup> November 2013</i>		
<b>Product Name</b>	<b>One-Time Cost</b>	<b>Annual Support Cost</b>
Paye.net	£11,995	£1,199
Internet Payments	£11,995	£2,399
<b>Total</b>	<b>£23,990</b>	<b>£3,598</b>

A waiver is sought as this cost 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 The cost of the upgrade and support will be met from the ICT Capital Programme. It will allow for greater and improved transactional services to be delivered via the web and mean the people can make payments at times when it suits them. The Capita system supports and improves the delivery of these services and will relieve pressures in the back office, reducing time currently spent on taking payments. For some services, this will reduce the amount of cash taken on site and will allow for cash collections to be reduced, offering an additional financial saving.

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

- 5.1 A system to manage customer payments is central to good financial management, which underpins the Council's ability to deliver all its priorities.

#### **6.0 RISK ANALYSIS**

- 6.1 An upgrade to the existing software is required to improve ease of use for the customer and thereby increase the number of online and telephone payments. Failure to implement this solution would significantly reduce the efficiency of taking payments via the web. It would also have a detrimental effect on the development of the new website and its transactional features.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 None

**8.0 LIST OF BACKGROUND PAPERS**

None under the meaning of the Act