

## Record of operational decision

<b>Decision title:</b>	Decision to approve the renewal of the contract to provide income management and cash receipting services by Capita Pay 360 (Capita)
<b>Date of decision:</b>	25 January 2023
<b>Decision maker:</b>	Director of Resources & Assurance
<b>Authority for delegated decision:</b>	<p>The Directorate scheme of delegation (Corporate Centre) provides authority for the Chief Finance Officer to authorise payment facilities at para 108.</p> <p>The total contract value is estimated at £182k per annum as detailed below (£910k over the contract term) and this value is within the authorisation limit for the decision maker under the financial procedure rules.</p>
<b>Ward:</b>	Countywide
<b>Consultation:</b>	Internal consultees
<b>Decision made:</b>	To renew the contract to provide income management and cash receipting cloud based services provided by Capita for a further 5 year period at an annual cost of £45k per annum for the managed service, maintenance and associated licenses. Transaction costs are priced at individual rates dependent upon the payment source and these are estimated, based on actual transaction costs incurred in the last 12 months, at approximately £137k per annum.
<b>Reasons for decision:</b>	<p>The contract to provide this service was awarded to Capita in 2017 following a competitive tender exercise. The contract includes all associated software licences, support and maintenance for the following payment mechanisms: internet, automated telephone, MOTO (Mail Order &amp; Telephone Order), Chip &amp; PIN and Contactless, Post Office &amp; PayPoint and Payment Portal.</p> <p>The current system has been operational for over 5 years and is embedded within the council's income management and collection processes. A change in system and provider is not recommended as the current system meets the council's requirements and the cost of conversion, implementation and expected disruption to this essential finance function would be significant and prohibitive. It is estimated that these costs would be in the region of £100k. Taking account of the costs and disruption of moving to a different system and the service standards provided by the current contractor, continuing with current service provider, does represent a best value solution for the council. The renewal is offered at a fixed price which protects the council from the risk of future prices increases over the contract term. The extension of the existing contract will ensure continuity of service and minimise the risk of failure or error.</p>
<b>Equality Considerations</b>	The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

<b>Highlight any associated risks/finance/legal/equality considerations:</b>	Risks of contract delivery will be managed as part of routine contract management arrangements. The council has not experienced any issues with delivery to date in respect of this service provided by Capita.
<b>Details of any alternative options considered and rejected:</b>	To not continue with the contract is not recommended. The current system has been operational for over 5 years and is embedded within the council's income management and collection processes. A change in system and provider is not recommended as the current system meets the council's requirements and the cost of conversion, implementation and expected disruption to this essential finance function would be significant and prohibitive. It is estimated that these costs would be in the region of £100k
<b>Details of any declarations of interest made:</b>	None.

Signed

Andrew Lovegrove  
Director of Resources & Assurance

Date: 25 January 2023