

Report to Cabinet
10 September 2014
Report of Executive head of business relationship management
Subject Award of contract for bill payment services

Item

12

KEY DECISION

Purpose

To advise cabinet of the procurement process for the future provision of bill payment services.

Recommendation

To award the contract for the provision of bill payment services to Co-operative Bank Plc for a period of three years and 6 months to 31 January 2018.

Corporate and service priorities

The report helps to meet the corporate priority "Value for money services".

Financial implications

The financial consequences of this report are spend of approximately £437,500 from existing budgets and a realisation of a saving of approximately £28,000 compared to the existing arrangement over the proposed contract period.

Ward/s: All wards

Cabinet member: Councillor Waters – Deputy leader and resources

Contact officers

Philippa Dransfield – Chief accountant 01603 212562

Robin Hare – Strategic contract and procurement manager 01603 212412

Background documents

None

Report

Background

1. 'Bill payments' is a service that is currently provided in our main banking contract by the Co-operative Bank plc. This gives our customers the facility to make payments via either pay point or post office. There are approx. 282,000 payment transactions per year. These transactions relate to debts owed to the council i.e. housing rent, sundry debts, council tax and business rates.
2. The council have been with the existing service provider for a number of years. However, our main banking contract is due to come to an end in due course and a new supplier appointed.
3. The bill payment process relies on the use of a unique numbering and bar coding process. It has been identified that some of the unique numbering and bar coding process cannot be migrated to the new supplier and it would be necessary to incur significant resources and extra expenditure to de-commission some of the existing process and re-start it again with the new supplier.
4. Not wishing to waste resources and funds officers investigated alternative solutions to the issue.

Investigation approach

5. Available contract framework agreements, which had to be compliant with The Public Contracts Regulations 2006 due to the value of our requirement, were checked to establish whether the existing supplier was a member. This would enable the council to make a call off from the contract framework agreement with the Co-operative Bank Plc in order to meet our requirements.

Investigation result

6. It was established that The Co-operative Bank Plc is a member of a compliant Procurement for Housing (PfH) contract framework agreement.
7. The service offered through the contract framework agreement fully meets the requirements of the council, is available until 31 January 2018, and realises a £28,000 saving on the cost of our current agreement.

Finance

8. The anticipated spend for the period of the contract will be approximately £437,500. The anticipated £28,000 savings over this period will be removed from the relevant budgets.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	10 September 2014
Head of service:	Executive Head of Business Relationship Management
Report subject:	Award of contract for bill payment services
Date assessed:	28 July 2014
Description:	Contract for the future supply of bill payment services

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Switching supplier will realise savings of approximately £28,000 over the contract period and avoid the use of significant resources and funding required to overcome the technical issues of changing suppliers.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Customers will still be able to make bill payments using post office and pay point facilities.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

Value for money

Negative

Neutral

Issues