

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4375
Author:	Michael Megaw
Department:	Finance and Resources
Contact:	Michael Megaw (Job Title: Senior Analyst - Financial Systems, Email: michael.megaw@nottinghamcity.gov.uk, Phone: 63299)
Subject:	Award of Contract for Barcoded Bill Pay Service
Total Value:	£350,000 over three years made up of transaction costs and service fees (Type: Revenue)
Decision Being Taken:	To renew the Barcoded Billing contract with AllPay (existing provider) for three years through G-Cloud
Reasons for the Decision(s)	<p>We have been a customer of AllPay for four years, the contract was originally awarded under the ESPO Framework. Before that, barcoded billing was provided by Co-Op Bill Pay. When the City Council switched banks to Lloyds, Lloyds did not offer an inhouse barcoded bill pay service and had partnered with AllPay.</p> <p>Barcoded Billing is a way for citizens and customers to pay for bills and services from the City Council at any establishment that offers PayPoint and any Post Office. With the removal of kiosks from Joint Service Centres, PayPoint and Post Office are the only sites where cash payments can be made.</p>
Briefing notes documents:	Briefing Paper - Barcoded Bill Payments.docx
Other Options Considered:	<p>Do nothingThis will result in citizens no longer being able to pay invoices with bar codes at either Post Offices or PayPoint outlets - this was rejected as it limits customer choice and would increase the number of citizens seeking to pay via cheque, which is more expensive to process;Full Market TenderThis was considered and ruled out as an option last year due to commitments from FftF. Alternative Service ProviderCapita approached the city with an offer that could be directly awarded through Kent Commercial Services. Capita's per transaction pricing matched that of AllPay, but associated service costs were found to be more expensive. A comparison of costs carried out by Audit showed that AllPay were around £4k per annum less expensive than Capita. 5 Year contract renewalAnnual price is the same regardless of contract length. Given the current financial situation of the council it is prudent to go for the shortest contract term.</p>

Background Papers:

NA

Published Works:

NA

Affected Wards:

Citywide

**Colleague / Councillor
Interests:**

None

Consultations:

Those not consulted are not directly affected by the decision.

**Crime and Disorder
Implications:**

NA

Equality:

EIA not required. Reasons: No EIA required as the service and service provider will not change

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

24/09/2021

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

The award of a direct call off contract to a provider under a framework agreement is in compliance with public procurement rules and the council's contract procedure rules provided that the procedure for award of the call off contract is adhered to. Advice provided by Sarah O'Bradaigh (senior solicitor) on 21/05/2021.

Finance Advice:

This decision seeks to extend a contract with AllPay for barcoded billing (including Schemes and WebConnect) for a period of three years. The value of this decision is estimated to be £0.350m over the three years based on 2020/21 transaction levels.

AllPay are part of the Procurement for Housing Framework, and so there is assurance that value for money will be achieved in choosing this provider via this method.

The cost of the contract is to be funded by existing budgets across Directorates, based on who uses the service. It is expected that individual budget holders and managers will monitor budgets to ensure there is no overspend or financial pressure. In 2020/21 51% of spend related of this contract to Nottingham Revenue and Benefits (NRB), 35% related to the Housing Revenue Account (HRA) and the remaining 13% was spread across Directorates within the Council.

Advice provided by Philip Gretton (Finance Analyst) on 03/06/2021.

Procurement Advice:

The Procurement Team will work with Finance to ensure a new contract for Barcode Payments is set up compliantly through the G-cloud framework with AllPay offering the organisation the best value for money for the whole life of the contract. Therefore, I have no procurement concerns.

Advice provided by Louise Dobson (Business Support) on 30/07/2021.

Signatures

Sam Webster (PH Finance and Resources)
SIGNED and Dated: 16/09/2021
Clive Heaphy (Interim Corporate Director for Finance & Resources)
SIGNED and Dated: 16/09/2021