

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Resources

Corporate Services Committee: 8 September 2021

Subject: Payment Processing Services

1. Purpose

1.1 The purpose of this report is to seek Committee approval to initiate a formal procurement process for West Dunbartonshire Council's (the Council) and West Dunbartonshire Leisure Trust's (the Trust) Payment Processing Services.

2. Recommendations

2.1 It is recommended that Committee:

- a) approves the initiation of a formal procurement process for the Payment Processing Service for the Council and the Trust for a 3 year period from 1 April 2022 until 31 March 2025 with an option to extend for a further two additional up to 12 months until 31 March 2027; and
- b) notes that a report will be brought to a future Tendering Committee seeking approval for the Chief Officer - Regulatory and Regeneration to conclude the award of a new contract following evaluation of tender submissions received, on behalf of the Council and the Trust.

3. Background

3.1 Following a tender exercise in 2018, the current provider was appointed for a period of 3 years with an option to extend for a further 12 months to 31 March 2022 (approved at Tendering Committee 21 March 2018).

3.2 The payment processing service provides residents and businesses with the facility to pay Council Tax, Debtors and Rent at post office and pay-point outlets.

4. Main Issues

4.1 It is essential that a new contract is in place to commence 1 April 2022. There is a lead in time of around 12 weeks to transfer from one provider to another to ensure a seamless process of continuation of service.

4.2 Based on current levels of use of these payment types it's estimated that the aggregate value of this contract over the period of this contract for the Council may exceed the Public Contract (Scotland) Regulations 2015 Threshold of £189,330.

5. People Implications

5.1 There are no people implications.

6. Financial and Procurement Implications

6.1 The financial implications will depend on the level and extent of the service utilised by the citizens of West Dunbartonshire Council however, there is an ongoing budgetary provision to meet the current level of expenditure. Payment options provided to citizens of the Council are being reviewed on an ongoing basis to ensure that, as an organisation, we offer facilities to ensure that all citizens have access to at least one payment method.

6.2 All procurement activity carried out by the Council in excess of £50,000 is subject to a contract strategy. The contract strategy for the payment processing service will be produced by the Corporate Procurement Unit in consultation with Finance officers. The contract strategy shall include but may not be limited to; contract scope, service forward plan, the market, procurement model and routes – including existing delivery vehicles such as national collaborative framework, roles and responsibilities, risks, issues and opportunities and ongoing contract management.

6.3 The payment processing service will contribute to delivery of the Council strategic priorities through the provision of fit for purpose services on a best value basis. Further opportunities to maximise the positive social, economical and environmental impact for West Dunbartonshire through the contract will also be explored, e.g. through the use of Community Benefit Clauses.

7. Risk Analysis

7.1 If the contract is not tendered we will not be compliant with the Council's Procurement Policy. The existing supplier will be able to continue to deliver the service. However, the prices may be subject to fluctuation and may no longer be competitive.

7.2 Having a contract in place enables the prices to be set for a fixed period of time and formal terms and conditions to be put in place, to ensure that the Council and the Trust receive best value.

8. Equalities Impact Assessment (EIA)

8.1 No significant issues were identified in a screening for potential equality impact of this service.

9. Consultation

9.1 The report has been subject to consultation with appropriate Strategic Leads

10. Strategic Assessment

10.1 Sound financial practice and Budgetary Control are imperative to

assist in the governance of the Council and assists officers in achieving the strategic priorities.

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Appendices: None

Background Papers: Corporate Services Committee 29 November 2017;
Tendering Committee 21 March 2018; and
Equalities Impact Screening.

Wards Affected: All