
Report To:	Policy & Resources Committee	Date:	18 November 2014
Report By:	Corporate Director, Environment, Regeneration & Resources	Report No:	FIN/64/14/BHJB
Contact Officer:	Brendan Hurrell	Contact No:	01475 712223
Subject:	Participation in the Procurement for Housing Framework Agreement for the provision of the Council Tax Bill Payment Collection Service		

1.0 PURPOSE

- 1.1 The purpose of the report is to request Committee approval to participate in the Procurement for Housing Framework Agreement for the provision of the Council Tax Bill Payment Collection Service.

2.0 SUMMARY

- 2.1 Procurement for Housing are providing a fully OJEU compliant Framework to access Bill Payment Services. Coverage is provided across the whole of the UK making the Framework accessible to all Procurement for Housing Members. Inverclyde Council can become a Member with no cost or fees being applied.
- 2.2 The Procurement for Housing Framework Agreement was awarded as a sole supply to one supplier, the Co-operative Bank, enabling Inverclyde Council to use a direct award process for the service provision.
- 2.3 The Co-operative Bank will charge the Council a transaction fee for Post Office and PayPoint transactions. The projected annual spend with the Co-operative Bank is £36K with a projected total contract value of £108K over the contract term of 3 years.
- 2.4 Currently the Council procure Council Tax Bill Payment Services from two suppliers - the Co-operative Bank provides the PayPoint service and Santander provides the Post Office service. Accessing the Procurement for Housing Framework enables the Council to procure both bill payment services from one supplier, the Co-operative Bank, through the use of a call off Agreement under the Framework.
- 2.5 Contract Standing Order 12.1 requires Committee approval for the Council's participation in a Framework Agreement that is not led by Scotland Excel or Procurement Scotland.

3.0 RECOMMENDATION

- 3.1 The Committee is asked to approve the request to participate in the Procurement for Housing Framework as per Contract Standing Order 12.1.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 Procurement for Housing are providing a fully OJEU compliant Framework to access Bill Payment Services. Coverage is provided across the whole of the UK making the Framework accessible to all Procurement for Housing Members. Inverclyde Council can become a Member with no cost or fees being applied.
- 4.2 The Procurement for Housing Framework Agreement was awarded as a sole supply to one supplier, the Co-operative Bank, enabling Inverclyde Council to use a direct award process for the service provision.
- 4.3 The Co-operative Bank will charge the Council a transaction fee for Post Office and PayPoint transactions. The projected annual spend with the Co-operative Bank is £36K with a projected total contract value of £108K over the contract term of 3 years.
- 4.4 Currently the Council procure Council Tax Bill Payment Services from two suppliers - the Co-operative Bank provides the PayPoint service and Santander provides the Post Office service. Accessing the Procurement for Housing Framework enables the Council to procure both bill payment services from one supplier, the Co-operative Bank, through the use of a call off Agreement under the Framework.
- 4.5 Contract Standing Order 12.1 requires Committee approval for the Council's participation in a Framework Agreement that is not led by Scotland Excel or Procurement Scotland. The full text of Contract Standing Order 12.1 is

Where a Corporate Director or Head of Service deems it best value, they may enter into or participate in a Framework or non-exempt collaborative agreement provided, in the case of procurements where the Council's contribution exceeds the thresholds set out at Order 3.1.1, he/she has obtained the prior approval of the appropriate committee. Before doing so the Corporate Director or Head of Service shall consult fully with the Head of Legal & Democratic Services and the Corporate Procurement Manager.

5.0 PROPOSALS

- 5.1 To terminate the existing contracts, complying with contract notice periods, with the Co-operative Bank and Santander. Termination will not incur penalties.
- 5.2 To take up Membership with Procurement for Housing.
- 5.3 To place a call-off contract with the Co-operative Bank under the Procurement for Housing Framework.

6.0 IMPLICATIONS

6.1 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Council Tax	Council Tax Agency Fees	14/15	£2		Will be contained within existing budgets

*This cost is for the Council's IIN number which is required to be switched, by the Post Office, from Santander to the Co-operative Bank.

Annual Savings (Full Year)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
Council Tax	Council Tax Agency Fees	15/16	£10		Calculated from a projected number of Bill Payment transactions.

6.2 Legal

Legal Services have been consulted on the content of this report.

6.3 Human Resources

None

6.4 Equalities

None

6.5 Repopulation

None

7.0 LIST OF BACKGROUND PAPERS

7.1 None