

Reconciling the Capita Pay 360 total contract value with the contract's card processing transaction charges
Councillor Wayne Fitzgerald, Leader of the Council
September 2022
Deadline date: 06/09/2022

Cabinet portfolio holder: Councillor Wayne Fitzgerald, Leader of the Council

Responsible Director: Cecilie Booth, Exec Director of Resources

Is this a Key Decision? YES
 If yes has it been included on the Forward Plan: YES
 Unique Key decision Reference from Forward Plan: KEY/11APRIL2022/01

Is this decision eligible for call-in? YES

Does this Public report have any annex that contains exempt information? NO

Is this a project and if so has it been registered on POWA? YES
 POWA number: ITDS121

RECOMMENDATIONS
The Cabinet Member is recommended to:
<ol style="list-style-type: none"> 1. Approve the amendment of the Capita Pay 360 total contract value to include the forecasted card processing transaction charges for the duration of the contracts 2. Authorise the Exec Director of Resources to vary this Contract if required, subject to approval by the Director of Law and Governance (or authorised officer's).

1. PURPOSE OF THIS REPORT

1.1 This report is for Cabinet Member for Digital Services and Transformation to consider exercising delegated authority under paragraph 3.4.3 and 3.4.8 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (q).

2. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. BACKGROUND AND KEY ISSUES

- 3.1 A 5-year contract was awarded to Capita in August 2021 for the implementation of an upgrade to the council's Capita Pay 360 Income management and payment processing software and a migration to Capita's cloud hosted platform.

The total value of the contract awarded was £145,840 and therefore below threshold of a CMDN. However, this figure did not include the daily card processing transaction charges which can vary depending on the number of payments taken and the types of payment cards used by residents and businesses when paying the council for goods or services.

The estimated forecast of annual transaction charges is approx. £105k based on previous year(s) usage. Therefore, over the 5-year contract term it is expected that an estimated additional £525k will be paid to Capita.

This takes the estimated total contract value to £670,840 and therefore over the threshold thus requiring a CMDN.

A decision is required to retrospectively approve the estimated total contract value.

4. CONSULTATION

- 4.1 As part of the decision, consultation was undertaken with the relevant Service leads within the Council and the respective heads of service delivery within Serco, as well as the respective legal services for both the partner and the Council.

5. ANTICIPATED OUTCOMES OR IMPACT

- 5.1 The Pay360 application is currently in use. This CMDN is to highlight that the variable charge to the Council per year is in addition to the project fund of £145,840. This charge is currently paid to Capita based on the number of transactions per year and is not anticipated to change.

6. REASON FOR THE RECOMMENDATION

- 6.1 The recommendation to include the variable charges in the total contract value ensures that the Council has sight of the total anticipated spend with Capita over a 5 year period in relation to the processing of card payments made to the Council.

7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The Pay360 is already in use in the Council and does not required amending. This paper is to ensure the Council has visibility of the variable charges associated with taking card payments.

8. IMPLICATIONS

Financial Implications

- 8.1 The charge for taking card payments is currently made to Capita and there is no increase in these charges.

Legal Implications

- 8.2 There are no legal implications as there is no change to the current contract.

Equalities Implications

- 8.3 There will be no change to how the service is delivered to residents and businesses. Whilst the preferred route to accessing the service is still via online self-service, a telephone service will still be offered for those without ICT equipment / skills.

Carbon Impact Assessment

8.5 There is no impact as the CMDN is to reflect the total contract value to be paid to Capita over a 5 year period.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

9.1 *None*

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

10.1 *None*

11. APPENDICES

11.1 *None*