

Cabinet (Resources) Panel

20 October 2021

Report title	Procurement – Award of Contracts for Works, Goods and Services	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Ian Brookfield Leader of the Council	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Procurement	
Accountable employee	John Thompson	Head of Procurement
	Tel	01902 554503
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Report to be/has been considered by	Directorate Leadership Team	

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Leader of the Council, in consultation with the Director of Finance, to approve the award of a contract for Corporate Bank Contract when the evaluation process is complete.
2. Delegate authority to the Leader of the Council, in consultation with the Director of Finance, to approve the award of a contract for eServices software when the evaluation process is complete.
3. Delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for a City Environment Back Office System when the evaluation process is complete.

1.0 Councillor Ian Brookfield, Leader of the Council

1.1 Delegated Authority to Award a Contract – Corporate Bank Contract

Ref no:	CWC21109
Council Plan aim	Our Money
Originating service	The Hub
Accountable officer	Sara Youles, Operations Manager Payments & Banking (01902) 551442
Leadership Team approval	1 September 2021
Accountable Lead Cabinet Member	Cllr Ian Brookfield, Leader of the Council (01902) 550352
Date Lead Cabinet Member briefed	1 September 2021
Procurement advisor	Carol Wintle, Procurement Business Manager (01902) 553836

1.2 Background

- 1.3 This contract covers the provision of corporate banking services for the Council (CWC).
- 1.4 The current contract is due to expire 31 March 2022, with the previous contract awarded in 2015 to Natwest via an open above threshold tender process.
- 1.5 A specification covering the full banking functionality for the main operating accounts and all other banking arrangements will be procured through an open tender, including:
- Five main accounts with facilities including but not limited to sweep/pooling and full bank file collection of all daily transactions for import into our back-office finance system that meets our specification
 - A group overdraft facility
 - An intraday limit
 - 47 imprest accounts for schools and council services
 - A main header account with 75 sub accounts for customers who we have been awarded Court of Protection
 - Cash (including loose cash) and cheque processing through our appointed cash in transit contractor to a cash/cheque processing centre
 - Consolidated and bulk cash facilities
 - Automated credit and debit facilities
 - Branch facilities for cheque encashment and occasional paying in

- BACS bureau and SUN sponsorship and transaction processing
- internet banking services for balance/group balance, transaction reporting, payment initiation including immediate/CHAPS and Foreign payments by a two level approval process, bank account statement export to reconcile with the file import for our back office system

1.6 Additional requirements for consideration:

- Bank accounts for two wholly owned companies, YOO Recruit and WV Living
- Two bank accounts with third party administration assigned to the West Midlands Pension Fund.
- A payment of council bills solution by customer online banking settled by faster payment via integration with our own web payment platform, hosted through its own unique (additional) bank account with a full import of transactions in the bank file mentioned at 1.1 this account would also need to sweep to the main current account.
- A virtual account with approximately 500 sub accounts for the saving for our young people in care until the age of 18.

1.7 In the event the contract is awarded to a new provider, a migration plan will be provided as part of the tendered contract requirements. The migration plan is anticipated at a minimum of six months and therefore holdover/dual operating with the incumbent bank will be required. This situation was provided for in the original contract award requiring the provider to hold terms for six months after contract expiry if the new award were to realise a change in provider.

1.8 If a migration plan is required, it will be project managed by the new bank and the Operations Manager for Payments & Banking. Resources would be sought from across the Council to support the plan and a board would be engaged to ensure cross party adherence to the timeline and overall satisfaction.

Proposed Contract Award	
Contract duration	Seven years (5+2)
Contract Commencement date	1 April 2022
Annual value	£50,000
Total value	£350,000

1.9 Procurement Process

1.10 The intended procurement procedure will be an open above threshold procedure in accordance with Public Contract Regulations 2015, the evaluation scoring balance will be 40% Quality, 50% price and 10% Social Value. Any amendments to the procurement

procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

1.11 The evaluation team will comprise:

Name	Job Title
Sara Youles	Operations Manager Payments & Banking
Rachel Highfield	Banking & Finance Support Team Leader
Daren Herries	Head of the Hub
Greg Entwistle	Finance Manager

1.12 Evaluation of alternative options

1.13 In previous years there have been framework agreements available for use by Public Sector organisations. However, currently there are no frameworks available.

1.14 Reason for decisions

1.15 No frameworks are available to purchase the service requirements so an open process will be used. This will allow all service providers, who qualify, to submit a bid.

1.16 Financial Implications

1.17 The current banking services contract cost is accommodated within an overall bank charges budget of £431,000. An uplift in the cost of the contract is now anticipated as the current seven year fixed price agreement comes to an end. Any growth in the bank charges budget required will be incorporated in the Medium Term Financial Strategy (MTFS) in the medium term.

1.18 Legal implications

1.19 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations and Council's Contract Procedure Rules.

1.20 Equalities implications

1.21 There are no equalities implications arising from the recommendations of this report.

1.22 All other implications

1.23 There are no other implications arising from the recommendations of this report.

1.24 Recommendation

1.25 Cabinet (Resources) Panel is recommended to delegate authority to the Leader of the Council, in consultation with the Director of Finance, to approve the award of a contract for Corporate Bank Contract when the evaluation process is complete.

2.0 Councillor Ian Brookfield, Leader of the Council

2.1 Delegated Authority to Award a Contract – eServices Software

Ref no:	CWC21149
Council Plan aim	Strong, resilient and healthy communities
Originating service	Revenues and Benefits
Accountable officer	Tracey Richards, Head of Revenues and Benefits (01902) 552493
Leadership Team approval	1 September 2021
Accountable Lead Cabinet Member	Cllr Ian Brookfield, Leader of the Council (01902) 550352
Date Lead Cabinet Member briefed	6 September 2021
Procurement advisor	Peter Holmes, Procurement Manager (01902) 556175

2.2 Background

2.3 The eServices software provides online forms which allow residents to self-serve and upload supporting information for:

- Making a new claim for Housing Benefit and/or Council Tax Support
- Reporting changes for Housing Benefit and/or Council Tax Support
- Verifying information held on our records remains accurate
- Notifying a council tax change of address
- Making an application for council tax discount or exemption

2.4 The forms provide an automated feed into CWC's Revenues and Benefits back-office system which, using a pre-defined workflow, automatically updates and processes the information, or pre-populates the information to be cross matched against evidence to verify its accuracy. The automation reduces manual processing and improves accuracy by taking away the need for manual rekeying of data. There are currently 13,600 notifications received annually. This is increasing with the introduction of the requirement to review our caseload of 17,500 housing benefit entitlement on a regular basis. Customers will be required to verify that the information held remains correct.

Proposed Contract Award	
Contract duration	Four years (2+1+1) Two years with options for two annual extensions
Contract Commencement date	1 August 2022
Annual value	£125,000
Total value	£500,000

2.5 Procurement Process

2.6 The intended procurement procedure will be in accordance with Public Contract Regulations 2015, the evaluation scoring balance will be 100% price. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

2.7 The evaluation team will comprise:

Name	Job Title
Tracey Richards	Head of Revenues and Benefits
Jennifer Hoare	Lead Technical Specialist
Lee Overton	System and Development Manager
Diana Foster	System Team Leader

2.8 Evaluation of alternative options

2.9 The removal of this contract would significantly increase the amount of manual intervention. This would require four additional full-time employees at an estimated annual cost of around £145,000, a cost in excess of the eServices software.

2.10 Reasons for decisions

2.11 The delegation is requested to ensure the contract can be awarded in good time, once the evaluation process is complete.

2.12 Financial Implications

2.13 It is anticipated that the annual contract cost will be funded from the £648,000 revenue budget currently set aside for running costs within the Revenues and Benefits service.

2.14 Legal implications

2.15 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules

2.16 Equalities implications

2.17 A stage one initial equality analysis has been completed. No equality implications were identified, and a full analysis is not required.

2.18 All other implications

2.19 There are no other implications arising from the recommendations of this report.

2.20 Recommendation

2.21 Cabinet (Resources) Panel is recommended to delegate authority to the Leader of the Council, in consultation with the Director of Finance, to approve the award of a contract for eServices software when the evaluation process is complete.

3.0 Councillor Steve Evans, Cabinet Member for City Environment and Climate Change
3.1 Delegated Authority to Award a Contract - City Environment Back Office System

Ref no:	CWC21148
Council Plan aim	Our Digital
Originating service	Business Services
Accountable officer	Chris Howell, Commercial Regulation Manager (01902) 554554
Leadership Team approval	31 August 2021
Accountable Lead Cabinet Member	Cllr Steve Evans, City Environment and Climate Change (01902) 861498
Date Lead Cabinet Member briefed	3 September 2021
Procurement advisor	Barry Greenwood, ICT Procurement Business Partner (01902) 552911

3.2 Background

- 3.3 Cabinet (Resources) Panel approved the award of the contract for Electronic Records and Document Management System to Idox plc for a duration of three years with option to extend for a further four years from 1 April 2018 to 31 March 2025 for a total contract value of £735,000.
- 3.4 The contract was originally let by ICT and has transferred to the Commercial Regulation Manager as of May 2021.
- 3.5 Idox is the software which is used to manage and process Taxi Licensing which has required ongoing improvement and development to respond to statutory changes. To undertake recent system developments at cost outside of the contract value, a contract variation was drawn up in November 2019 for £560,500 to facilitate this work.
- 3.6 It is the intention to continue improving and developing the system to respond to statutory and legislative changes, however, to ensure the contract is compliant with Regulation 72 of the Public Contract Regulations 2015 no further contract modifications are allowed. CWC is now seeking delegated authority to award a new contract for a city environment back office system.

Proposed Contract Award	
Contract duration	Five Years with the option to extend to One Year + 1 Year + 1 Year
Contract Commencement date	1 April 2022
Year 1 value	£236,820
Annual value (Year 2 onwards)	£202,370
Total value (based on 8 Years)	£1,653,410

3.7 Procurement Process

3.8 The intended procurement procedure will be a framework further competition in accordance with Public Contract Regulations 2015, the evaluation scoring balance will be 55% price and 45% quality. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

3.9 The evaluation team will comprise:

Name	Job Title
Chris Howell	Commercial Regulation Manager
Alison Johnston	Project Manager
Mark Flanagan	Section Leader – Licensing

3.10 Evaluation of alternative options

3.11 A full procurement exercise has been considered but due to the complex nature of the specification and the terms and conditions it was decided that a further competition on a framework would offer value for money, the suppliers have been pre-selected as being the best in the market and the terms and conditions have been agreed by the suppliers.

3.12 Reason for decisions

3.13 It was decided to use a framework agreement because it offered a quick route to market with pre-agreed terms and conditions and the suppliers have already been vetted by Crown Commercial Services as being the best in the market.

3.14 Financial Implications

3.15 The contract will be funded by existing budgets within Licensing Services.

3.16 Legal implications

3.17 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.

3.18 Equalities implications

3.19 There are no equalities implications arising from the recommendations of this report.

3.20 All other implications

3.21 There are no other implications arising from the recommendations of this report.

3.22 Recommendation

3.23 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for a City Environment Back Office System when the evaluation process is complete.

4.0 Evaluation of alternative options

4.1 All alternative options are included within the relevant section of the report.

5.0 Reasons for decision

5.1 The reasons for the recommendations are included within the relevant section of the report.

6.0 Financial implications

6.1 All financial implications are included within the relevant section of the report.
[RP/05102021/Y]

7.0 Legal implications

7.1 All legal implications are included within the relevant section of the report.
[TC/04102021/C]

8.0 Equalities implications

8.1 The relevance to equalities and progress in terms of equality analysis will vary for each proposal included in this report. Accountable officers have and will ensure that evidence is collected and used to demonstrate compliance with the Council's legal obligations under the Equality Act 2010.

9.0 All other implications

9.1 All other implications are included within the relevant section of the report.

10.0 Schedule of background papers

10.1 Relevant background papers are included within the relevant section of the report.