



RECORD OF DELEGATED DECISION (OFFICER)

CONTRACT EXEMPTION

1. Decision Reference No.	CEX474	
2. Name/Title of Officer <small>(who is taking the Decision)</small>	Nick Sach, Revenues and Benefits Manager	
3. Email address of Officer	<u>nsach@melton.gov.uk</u>	
4. Contract Title / Subject Matter:	Contract Exemption - Extension of Allpay Contract	
5. Type of Decision: <small>(The decision will be published in its entirety unless it contains exempt information as described in Section 1.4 of the <u>Council's Access to Information Rules</u>)</small>	Public	
6. Key Decision? <ul style="list-style-type: none"> • Expenditure/income/savings over £50K and/or • Significant impact 2 or more wards 	No	
7. Contract type:	<input type="checkbox"/> Goods <input checked="" type="checkbox"/> Services <input type="checkbox"/> Works	
8. Decision Taken: 1. Authority to use a Contract Exemption as detailed below; 2. Authority to award and enter into any necessary agreements with Allpay Limited.		
9. Contract Details		
Service area	Revenues and Benefits	
Short contract description	Allpay Limited for Electronic Payment Services	
Length of Exemption (months)	12 months	

Exemption start date	01/09/2024
Exemption end date	31/08/2025
Total exemption value (£)*	£7,000
Cumulative value of all previous Exemption requests (if applicable)	n/a

* Where the total value of the contract is £5,000 or more, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

An award notice is required on Contracts Finder for all Contracts with a total value of £20,000 or above. Welland Procurement is responsible for such award notices. Officers must formally advise Welland of the award details, so that they can publish the award notice.

10. Exemption Details

Type of Exemption:	<input checked="" type="checkbox"/> New Requirement <input type="checkbox"/> Change to Existing Requirement <input type="checkbox"/> Replacement to Existing Requirement <input type="checkbox"/> Other
Which rule are you seeking an exemption from?	<input checked="" type="checkbox"/> To advertise <input checked="" type="checkbox"/> To follow a competitive process
Name of Proposed Provider:	Allpay Limited
Has the requirement been subject to a previous Exemption?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes [If yes give details below]
Applicable Exemption:	<input type="checkbox"/> (1) No genuine competition: proprietary or patented goods or services; requirement of such a specialist nature that it can genuinely only be fulfilled by one person or organisation; compatibility with existing goods or services is required and where those existing goods or services can only be sourced from the same supplier.
<i>If the justification being relied upon is as detailed in here, the relevant Service Director will need to approve the exemption prior to it being submitted to the Director for Corporate Resources and the Director of Governance and Regulatory Services for approval.</i>	<input checked="" type="checkbox"/> (2) There is a sound business case and/or an independent review that there is no value for money in running a full procurement process. Supporting evidence will need to demonstrate market testing and enquiries to other suppliers. This should not be used to avoid competition or where decisions to procure have been postponed and there are insufficient timelines to procure.

	<input type="checkbox"/>	(3) Genuine emergencies: critical preventative or remedial work where there is a real and imminent risk to the safety of people or property arising from hitherto unforeseen 'catastrophic' events or incidents, for example fire, bombing, landslide etc.
	<input type="checkbox"/>	(4) Urgent Situations not of the Council's own making: the urgency must have been reasonably unforeseeable (e.g. existing supplier going into liquidation) and genuinely be a case of time is of the essence. Urgency arising from the Council's own making (e.g. lack of planning) shall not justify an exemption. Where this exemption is used, a compliant procurement must be implemented as soon as possible.
	<input type="checkbox"/>	(5) Collaborative/Joint Procurement: where another authority/public body is acting as the 'lead buyer' and provided that the Officer can demonstrate those arrangements comply with relevant Regulations and best practice.
	<input type="checkbox"/>	(6) Grants which the Council may receive or make: except where the grant is the form of payment for a contract for services where the Council specifies the output or outcomes to be delivered. The awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination and value for money. Officers cannot choose to treat procurement as a grant in order to avoid conducting a competitive process.
	<input type="checkbox"/>	(7) Contracts for the execution of either mandatory works or provision of goods or services which must be provided by Statutory Provider other than the Council. This includes but is not limited to public utility companies and other legal authorities.
Details of benchmarking or market testing carried out		N/A
How will value for money be secured?		Handling over £6 billion a year across 60 million transactions, Allpay Limited is the UK's leading payment solutions specialist. Through their partnership with the Northern Housing Consortium (NHC) Framework, they are able to provide the most cost-effective solution for bill

			<p>payment services, helping the Council to maximise income.</p> <p>We have seen a decrease in the annual transaction volumes since the most recent contract extension. The decrease in transactions is reflected in the contract value.</p>
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11. Reasons for Decision:

Previous decision CEX080 & CEX275 provided authority to enter into the previous contract for an initial 2-year period and then the provision to extend for a further 2 years up to August 2024.

The National framework is compliant with the Public Contract Regulations 2015.

As part of the contract the following services will be provided:

- Post Office (PO)
- PayPoint (PP)
- Concatenation
- Swipecard production

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The supplier has been procured in compliance with the contract procedure rules, and all necessary due diligence has been carried out by the Council Officer.

The current contract is due to expire on 31st August 2024. The Council is currently reviewing its position in relation electronic payment services of this nature. It is felt that this 12-month contract extension will allow the Council the opportunity to review and fully assess its position in relation to these services beyond this point.

12. Authority / Legal Power:

CPR 16.4 Exemptions must be approved by the Director for Corporate Services and the Assistant Director for Governance & Democracy

13. Background Papers attached?

No

14. Alternative options available / rejected:

1. To not extend and undertaken a new procurement process – due to no issues with the current supplier and additional cost that would be incurred to run a new tender process, this has been rejected as it doesn't represent value for money when compared to extending the existing contract.
2. Allow the existing contract to expire and not have a provider of electronic payment services. However there has been rejected as it may impact on collection rates and recovery of arrears.

15. Implications:

<p>Legal</p>	<p>The Council has the power to enter contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (Contracts) Act 1997, s1).</p> <p>The 1972 Act requires the Council to make standing orders, regulating how it enters contracts. In addition to complying with relevant UK and EU legislation every contract entered by the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations. The Contract Procedure Rules allow exemptions, but these do not apply to procurements valued above the relevant EU Threshold.</p> <p>Exemptions must be approved by the Director for Corporate Services and the Assistant Director for Governance & Democracy and are subject to one of more of the above-mentioned criteria being fulfilled.</p> <p>[Legal Approval – Assistant Director for Governance and Democracy 27 August 2024]</p>
<p>Finance</p>	<p>The latest transactional data from the supplier confirms the current cost is circa £7k in total and therefore the annual budget provision across both the general fund and HRA of £19.5k is sufficient to cover the existing costs of this contract.</p> <p>[Finance Approval – Director for Corporate Services 19.8.24]</p>
<p>HR</p>	<p>There are no HR implications as a result of this decision</p> <p>[HR Approval – 21 August 2024]</p>
<p>Procurement</p>	<p>An agreement for a year can be supported by procurement provided the authority can make a decision on future direction of this service in time to procure a replacement service to be in place in 12 months' time</p> <p>[Procurement Approval - 28/08/24]</p>

16. Signature of relevant Service Director:	Dawn Garton Director for Corporate Services
17. Signature of Decision Maker with authority to sign (See Section 12): CPR 16.4 Exemptions must be approved by the Director for Corporate Services and the Assistant Director for Governance & Democracy	Dawn Garton Director for Corporate Services
18. Consultation with: CPR 16.4 Exemptions must be approved by the Director for Corporate Services and the Assistant Director for Governance & Democracy	Clive Tobin Assistant Director for Governance & Democracy
19. Date:	1 September 2024

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