

**NORTH LANARKSHIRE COUNCIL REPORT**

To: Policy & Resources (Finance & Customer Services) Sub-Committee		Subject: Collaborative Contract for Payment Processing Services and Payment Card Production
From: Head of Revenue Services		
Date: 1 May 2015	Ref: BC /	

**1 Introduction**

1.1 The purpose of this report is to seek Committee Approval for the decision to participate in a collaborative contract, led by Comhairle nan Eilean Siar, for Payment Processing Services and Payment Card Production.

**2 Background**

- 2.1 The Council currently participates in a collaborative contract led by Renfrewshire Council, with AllPay, which terminates on 31 May 2015.
- 2.2 The contractor provides the facility for payees to be issued with a payment card and handles the transactions (PayPoint & GiroBank) through the banking system. In the course of a year there are approximately 425,000 transactions, with a transactional value totalling £22.5m from the operation of 41,000 payment cards.
- 2.3 The contract for payment cards and transaction processing enable payees to meet their liabilities for Council Tax and / or Council House Rents.

**3 Collaborative Contract**

- 3.1 A collaborative contract has been awarded on behalf of participating councils to PSC Ltd. The contract award is for three years, to December 2017, with a one year extension.
- 3.2 After discussion with the Executive Director of Corporate Services it was agreed to participate in the collaborative contract. This award provided sufficient lead-time to allow the Council to plan and migrate our services to the new contractor. The Council will transfer to the new contract upon expiration of our current contract on 31 May 2015.
- 3.3 The terms of the contract award are a cost of £1 per payment card and £0.444p per transaction (equivalent to an average of 0.85% of transaction value). Whilst the new contract has a slightly higher transactional cost, amounting to £230,000 per annum, this can be met within the existing cost of collection budget.

**4 Recommendation**

4.1 The Sub-Committee is asked to note that in accordance with the delegations given to the Executive Director of Corporate Services, and following consultation with the Convener of Policy & Resources (Finance & Customer Services) Sub-Committee participation in the contract with PSC Ltd has been agreed as detailed in paragraph 3.2.



Head of Revenue Services

Members seeking further information on the contents of this report are asked to contact Mr. Brian Cook, Head of Revenue Services on 01698 403929