

Meeting of:	Cabinet
Date of Meeting:	Thursday, 11 June 2026
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Item which the Chair has decided is urgent (Part I) (If yes, why)	Not applicable
Urgent Decision Procedure Used (15.14 of the Constitution) (If yes, why)	Not applicable
Item Type	Part I
Report Title:	Revenues and Benefits System Contract Renewal
Portfolio Holder:	Executive Leader and Cabinet Member for Performance and Resources
Lead Officer:	Matt Bowmer

1.0 **What is this report about?**

1.1 This report seeks Cabinet approval to award a five-year call-off contract to MRI Software Limited for the continued provision of the Council's Revenues and Benefits system, together with an integrated Electronic Data Management (EDM) solution and associated modules, by way of a direct award under the Technology Products and Associated Services 2 (TePAS 2) framework, RM6098, Lot 8 (Technology Catalogue).

2.0 **What are the Recommendations?**

	Recommendations – What and How?	Reason for Recommendation – Why?
2.1	That Cabinet notes the contents of the report, with a view to taking decisions on the award of the contract detailed within the Part II report later in this agenda.	To advise of the current position with this particular contract.

3.0 **What is the background to this report?**

3.1 The current MRI processing system (formerly Capita/Academy) is used by Exchequer Services for the charging and collection of Council Tax and Business Rates and for the processing of Housing Benefits awards along with the raising and recovery of

overpayments. It also administers and pays Council Tax Reduction, Discretionary Housing Payments, Free School Meals and the School Essential Grants.

- 3.2 The Council's existing contractual arrangements with MRI reached the end of their term on 31st March 2025. Pending completion of the proposed procurement route, service continuity has been maintained under the contractual continuation provisions currently in place. The Council now requires a compliant longer-term contractual arrangement for the continued provision of the service.
- 3.3 There are only a small number of suppliers who offer systems for Revenues and Benefits across the UK, and this limits the choice of supplier that can be used.

4.0 What issues are there to be considered?

- 4.1 The current processing system has been in operation since the late 1990s and is still functioning well with regular upgrades and releases to keep it fit for purpose. The existing system is significantly embedded into current working practices.
- 4.2 There are only three main suppliers of Revenues and Benefits systems with MRI being one of them.
- 4.3 The supplier can and does make changes to the system to reflect changes to legislation in a timely and responsive manner.
- 4.4 The current supplier also offers an add-on of an Electronic Data Management (EDM) system which would replace the current one used by the Revenues and Benefits team which is no longer fit for purpose and urgently needs replacing to meet ICT security requirements as the current EDM system provider (Open Text) is unable to provide a system which is compatible with Windows 11. The EDM system is used to digitally store all documentation related to the administration of the services. This EDM addition would fully integrate with the current Revenues and Benefits system and provide efficiencies and streamlining of processes.
- 4.5 In addition to the main MRI processing system the team uses XL Print which provides a solution to convert the letters generated in the MRI system from a text file to a useable format to allow letters and bills to be sent out in the necessary format to customers.
- 4.6 This includes adding the Vale of Glamorgan logo. It also allows the data to be converted to a pdf format to for use by our hybrid mail providers. XL print has now been taken over by MRI and so is now being looked at as part of the contract rather than a separate element. XL Print is moving to a cloud only solution and therefore there is a need to move from the current database XL print solution over to the cloud version and this is also included in the contract costs.
- 4.7 Any change of system provider would mean additional costs for staff training and migration. It could also impact on collection rates for Council Tax and Business Rates and adversely

affect Benefits payments being made, due to staff needing to learn a new system which inevitably would slow processing times and lead to backlogs of work.

- 4.8 The Council is not seeking to undertake a full replacement of the Revenues and Benefits platform at this stage. Instead, the proposal is to secure the continued provision of the existing core system and its integrated associated modules by way of a framework call-off under TePAS 2 (RM6098) Lot 8, as advised by Ardal. In reaching this view, officers have had regard to the system's established interoperability, the supplier's responsiveness to legislative change, its integration with current operational processes, the migration risks and costs associated with moving to a different provider, the potential impact on collection and payment functions, and the need to maintain continuity of critical resident-facing services. Taken together, these factors support the proposed approach and the continuation of the current system at this time.
- 4.9 Awarding the contract for a five-year term would provide greater stability and better value than a shorter-term arrangement. It would help maintain continuity of critical services, avoid the additional cost and administrative burden of more frequent procurement activity, and secure a more favourable pricing position over the life of the contract.
- 4.10 Ardal, the Council's shared Procurement Service, has advised that the requirement may be procured by direct award under the Technology Products and Associated Services 2 (TePAS 2) framework, RM6098, Lot 8 (Technology Catalogue), in accordance with the framework terms and subject to completion of the required call-off documentation and procurement record.

5.0 How evidence has been used to inform the report, including the views of others?

- 5.1 The system will be responsible for the administration of approximately £133m in Council Tax revenue for the Authority. It will also manage the collection of previous years' arrears of Council Tax.
- 5.2 The system will be responsible for the administration of approximately £37m in Business Rates for the Authority. It will also manage the collection of previous years' arrears of Business Rates.
- 5.3 The system will administer Housing Benefits of approximately £15m and £13.7m in Council Tax Reduction.
- 5.4 The system will administer approximately 3,200 free school meals awards and 2,950 school essentials grants.
- 5.5 The user requirements within Revenues and Benefits have been considered regarding system functionality, reliability, reporting capability, integration requirements, and supplier responsiveness.
- 5.6 There is also the consideration of the impact on residents, particularly the need to ensure continuity of critical services including Council Tax, Business Rates, housing benefit, and

related support functions.

6.0 Next Steps

6.1 Subject to Cabinet agreement as part of the associated Part II report on the agenda, the current provider will be re-awarded a five-year contract.

6.2 The EDM system will be integrated into the processing system as an addendum to the contract.

7.0 How does this report support the Vale 2030 and Reshaping?

7.1 The Revenues and Benefits system renewal report supports Vale 2030 and the Reshaping programme by providing support and protecting those who need us by helping to reduce poverty through payments that are made and helping to bring money into the economy through sustained collection rates enabling financial sustainability so the Council can deliver modern, resilient services.

8.0 How does this support the Five Ways of Working?

8.1 The proposals in this report will enable the Council to continue to work towards the Well-being Outcome of an incisive and safe Vale of Glamorgan by attributing to the goal of providing a good quality of life to the citizens of the Vale of Glamorgan as the Council continues to manage its services with diminishing resources then it is essential that the Council can raise and collect revenue from Council Tax in order to support the vital services that its residents rely upon. In turn the processing of Benefits ensures that the most vulnerable are supported by providing financial assistance to those who require it.

8.2 The financial assistance goes to residents who would otherwise be unable to meet their Council Tax liability, rental liability or unable to meet costs for Uniform/free school meals. This contributes to the Well-being outcome of an Inclusive and Safe Vale by reducing poverty and social exclusion.

Resources

9.0 Finance

9.1 The need to maintain an acceptable level of revenue collection for Council Tax and Business Rates will be important as the Council responds to ongoing financial pressures.

9.2 Due to the ongoing cost-of-living crisis it is important that our residents receive the financial support and benefits to which they are entitled.

10.0 Workforce

10.1 The inclusion of an integrated EDM system will inevitably provide efficiencies and streamlining of processes to enable the team to continue to provide an efficient service in an environment seeing increased demand due to the cost-of-living crisis.

10.2 There will also be less reliance on overtime and external support.

11.0 Legal

- 11.1 The Council must be satisfied that the proposed procurement route complies with the Procurement Act 2023, the Procurement (Wales) Regulations 2024, the Wales Procurement Policy Statement and the Council's own Contract Procedure Rules/ Contract Standing Orders and Financial Regulations. Officers have obtained procurement advice from Ardal and are required, prior to award, to confirm that the Council is entitled to use the relevant procurement route, that the proposed scope and value fall within permitted terms of that route, and that all statutory notice and standstill requirements are complied with.
- 11.2 The proposed contract is to be awarded by way of direct award under the Technology Products and Associated Services 2 (TePAS 2) framework, RM6098, Lot 8 (Technology Catalogue). The direct award must be undertaken strictly in accordance with the framework terms, including the requirement that the Council is satisfied that the requirement can be met through the supplier's framework/catalogue offering, that the pricing is derived in accordance with the framework/catalogue pricing, and that the call-off can be concluded on the framework's standard terms without the need for a further competition.
- 11.3 In addition, the Council must maintain an appropriate procurement audit trail, complete the framework call-off documentation, and comply with any applicable transparency/publication requirements following award.
- 11.4 This report relates to the continuation and enhancement of an existing operational system supporting the administration of Council Tax, Business Rates, Housing Benefit, Council Tax Reduction and related schemes. It does not propose any change to eligibility criteria or substantive policy affecting residents. Accordingly, no full Equality Impact Assessment is considered necessary at this stage. However, in taking this decision, Cabinet must have due regard to the Council's duties under the Equality Act 2010, the Human Rights Act 1998 and the Welsh specific public sector equality duties, including the need to maintain accessible and continuous services for residents, particularly those who are financially vulnerable.
- 11.5 The contract and implementation arrangements must also comply with the UK GDPR and the Data Protection Act 2018, including ensuring that the appropriate contractual provisions are in place for the lawful processing, storage, security, retention and deletion of personal data. Officers should also ensure that any necessary data protection screening or impact assessment is undertaken as part of implementation.

12.0 **Key Contacts**

12.1 **Who are the primary officers to contact with any comments and/or queries on the report?**

Lead Officer: Matt Bowmer Head of Finance/ Section 151 Officer mbowmer@valeofglamorgan.gov.uk	Democratic Services Officer Matt Swindell Cabinet and Committee Services Officer. miswindell@valeofglamorgan.gov.uk
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Appendix

None.

Background Documents

None.