

## Market Sub Committee

**Date:** 05 November 2020

**Title:** Cashless Rent Payments

**Purpose of the Report:** Budget implications for adopting cashless payment systems for market rents

**Contact Officer/s:** Vivien Cannon, Head of Cultural and Economic Services

<b>Corporate Objective/s</b>	LLTC Five Year Plan – To continue to support a vibrant town through partnership working & initiatives including management of the street market, support businesses, town & community promotions & town centre enhancements.	
<b>Implications:</b>		
<b>Financial</b>	Yes	Budget allocation to address service charges associated with the cashless payment contract
<b>Human Resources</b>		
<b>Operational/Service delivery</b>	Yes	Introduction of cashless payments for market rents
<b>Procedural/Legal</b>	Yes	In accordance with financial regulations
<b>Risk/Health and Safety</b>		

### 1. RECOMMENDATIONS

Should members be minded the recommendations are:

- 1.1 To recommend to Policy and Finance Committee to introduce cashless payments for on-the-day market rent collection.
- 1.2 To recommend to Policy and Finance Committee to enter a contract with WorldPay to facilitate the collection of cashless payments for market rents.
- 1.3 To recommend to Policy and Finance Committee to vire funds across from the central Bank Charges budget line 4381/12, into the Market cost centre creating a new budget line to cover the service charges associated with the contactless payments for the remainder of 2020/21, in order that accurate costs for the running of the Market can be established.
- 1.4 To recommend to Policy and Finance Committee that the new budget line is taken forward within the Market cost centre for 2021/22, to cover future service charges associated with the cashless payment system.

### 2. BACKGROUND

- 2.1 At its meeting on 27/02/2020, Ref: 34/MK, Committee received and considered a report to move to cashless payments for on-the-day market rent. The outcome being to recommend the change to Cultural and Economic Services Committee

and that it be introduced in the new financial year.

- 2.2 Committee meetings were subsequently interrupted by the Covid-19 pandemic and market rents were waived. The minutes for the 27/02/2020, were received later in the year by Cultural and Economic Services Committee at its meeting on 07/09/2020 Ref: 59/CE. The minutes were noted with the omission of the specific recommendation being endorsed.
- 2.3 From 1<sup>st</sup> December 2020, as per full Council decision on 24/08/20, Ref: 117 (b), market traders will be required to commence rent payments. Due to the timescales involved for introducing rent payments and the need to follow due committee processes, it is proposed that Committee move forward with the original plans of 27/02/20, and make the necessary recommendations to the next appropriate Committee, that being Policy and Finance.

### **3 INFORMATION**

- 3.1 Officers have investigated suitable options for securing a cashless payment system. The Council already has a contract with WorldPay. Officers have explored comparison providers and WorldPay continue to offer competitive rates. It is therefore proposed to enter a contract with WorldPay to facilitate cashless payments of market rents.
- 3.2 The current rent levy does not consider the contract service charges associated with moving to contactless payments thus income will reduce annually once service charges are removed.
- 3.3 Budget savings have been identified within the central administration budget, cost centre 4381/12 (Bank Charges), which previously reconciled service charges incurred through contactless payments taken in the Astral Park facility. It is proposed to utilise current year savings for the market and then to set up a new budget line within the Market cost centre for 2021/22.

### **4 CONCLUSION**

- 4.1 Market Sub-Committee has previously considered and concluded its reasons for moving to cashless rent payments. The Covid-19 pandemic further supports the need to change the operational practice.
- 4.2 WorldPay has offered competitive contractual rates for providing a cashless, or contactless, payment system. A contactless payment system will incur a service charge which will create an additional current year budget deficit.
- 4.3 It is proposed to utilise current year budget savings from budget code 4381/12, to address the anticipated 2020/21 budget shortfall created by the above service charge and then to create a new budget line within the market budget for financial year 2021/22.

**END**