

Report to:	Cabinet	Date of Meeting:	4 June 2015
Subject:	Tender Arrangements for the Provision of Banking Services	Wards Affected:	(All Wards);
Report of:	Director of Corporate Services		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

To gain approval from Cabinet to the tender arrangements for the provision of banking services from 1 April 2016 to 31 March 2021.

Recommendation(s)

1. Authorise the Head of Corporate Finance and ICT to conduct a formal procurement exercise for the provision of banking services for the period 1 April 2016 to 31 March 2021;
2. Approve the basis of evaluation of tenders as set out in the report; and
3. Authorise the Head of Corporate Finance and ICT to accept the Highest Scoring Tender in accordance with the approved basis of evaluation and to report on the outcome to the Cabinet Member – Regulatory, Compliance and Corporate Services.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Reasons for the Recommendation:

The Council’s Contract Procedure Rules require that where expenditure is above £172,514 it process must comply with EU Public Procurement Rules. The banking tender is expected to exceed the EU limit.

Alternative Options Considered and Rejected:

None.

What will it cost and how will it be financed?

(A) Revenue Costs

The cost of banking services will be contained within the Corporate Finance budget.

(B) Capital Costs

None.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial	
The cost of banking services will be contained within the Corporate Finance budget.	
Legal	
Human Resources	
None	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

None expected.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD 3572/15) and Head of Corporate Legal Services (LD 2864/15) have been consulted and any comments have been incorporated into the report.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Background Papers:

There are no background papers available for inspection

1. Introduction

- 1.1 The current contract for banking services expires on 31/3/2016. A new contract is required from this date and the appropriate contract / tender procedures may take some time to complete. In addition, given the complexity of the changeover of banking services to another supplier, the time required to implement may take up to six months. Therefore an early decision on the future supplier is considered essential.
- 1.2 This report sets out the proposed process to be followed, the methodology for assessing the tenders and the timescale of the arrangements.

2 Procurement Process

- 2.1 The Council's Contract Procedure Rules require that where expenditure on a contract is above £172,514 (for goods and services), it process must comply with EU Public Procurement Rules. The banking tender is expected to exceed the EU limit (over the life of the contract) and consequently, the tender must follow the Open Procedure procurement route. This will involve advertising the contract in the Official Journal of the European Union (OJEU), in order to obtain the widest possible coverage. However, a review will be made of any framework agreements for banking services which could be utilised.
- 2.2 It is proposed that the tender will be for a period of three years, with an option for a further two (on the assessment of actual performance). The proposed assessment criteria will be award 55% of the marks for quality of service, with 45% relating to price.
- 2.2.1 Marks awarded for quality covered in the areas noted below: -

Specification Ref	Area	Maximum Allocation of Marks
5.1.0	Banking Services Required	5
5.2.0	Bank Accounts Required by Sefton Council	5
5.3.0	Transaction Volumes	Scored under pricing
5.4.0	Charges	Scored under pricing
5.5.0	Paying In/Open Credit Facilities	5
5.6.0	Specially Printed Cheques	1
5.7.0	Stationery	1
5.8.0	BACS Facilities	8

5.9.0	Statements	5
5.10.0	Reconciliation Services	7
5.11.0	Credit Facilities	2
5.12.0	Managing transfer	6
5.13.0	Additional Non-Contract Requirements	3
5.14.0	Value Dates	5
5.15.0	Electronic Banking	8
5.16.0	Contingency & Support Arrangements	6
5.17.0	Cash Management and Interest Arrangements	2
5.18.0	Transition Obligation	6
5.19.0	Council Customers	5
5.20.0	Relationship Management	7
5.21.0	Innovations	3
5.22.0	Training	5
5.23.0	Technical Requirements	5
	TOTAL	100

2.3 It is further proposed that the Head of Corporate Finance and ICT be authorised to accept the Highest Scoring Tender in accordance with the approved basis of evaluation and to report on the outcome to the Cabinet Member – Regulatory, Compliance and Corporate Services.