

Report to:	Cabinet	Date of Meeting:	30 July 2020
Subject:	Tender for Banking Services		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report seeks authority to commence a procurement exercise for the provision of banking services.

Recommendation(s):

- 1) Authorise the Executive Director of Corporate Resources and Customer Services to conduct a formal procurement exercise for the provision of banking services for the period of three years from 1 April 2021 to 31 March 2024 with the option of further extensions to be exercised up to a maximum of two years; and
- 2) Delegate authority to the Executive Director of Corporate Resources and Customer Services, in consultation with the Cabinet Member – Regulatory, Compliance and Corporate Services to accept the highest scoring tender in accordance with the approved basis of evaluation and award the contract accordingly and any extension thereof.

Reasons for the Recommendation(s):

The Council's Contract Procedure Rules require that where expenditure is above £189,330 the process must comply with EU Public Procurement Rules. The banking tender is expected to exceed the EU limit.

Alternative Options Considered and Rejected: (including any Risk Implications)

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 of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): The cost of banking services will be contained within the Corporate Finance budget.
Legal Implications: None.
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:n/a
Facilitate confident and resilient communities:n/a
Commission, broker and provide core services: This proposal will ensure that a core element of the Council's activity, that of income collection and making payments to third parties, can be delivered.
Place – leadership and influencer:n/a
Drivers of change and reform:n/a
Facilitate sustainable economic prosperity:n/a
Greater income for social investment: n/a
Cleaner Greener:n/a

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services is the author of the report (FD6057/20).

The Chief Legal and Democratic Officer (LD4239/20) has been consulted and any comments have been incorporated into the report.

(B) External Consultations

None.

Implementation Date for the Decision

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

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 The current contract for banking services expires on 31/3/2021. 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 £189,330 (for goods and services), the process must comply with EU Public Procurement Rules, which are themselves a legal requirement. The Banking and Card Acquiring Tender is expected to exceed the EU limit (over the life of the contract) and consequently, the tender must follow the EU Public Procurement Rules. We have selected the Open Procedure procurement route. This will involve advertising the contract in the Official Journal of the European Union (OJEU). 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 contract has been placed into two lots, lot 1 for general banking services, and lot 2 for merchant card acquiring services. Tenders can be for
 - Either of lots 1 and 2
 - lots 1 and 2 together.
- 2.3 It is proposed that the contracts are awarded based upon MEAT (Most Economically Advantageous Tender) taking into consideration a percentage between cost and quality. It is intended to award the contract by October 2020.
- 2.4 It is further proposed that the Executive Director of Corporate Resources and Customer Services, in consultation with the Cabinet Member – Regulatory, Compliance and Corporate Services 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.