

WIRRAL COUNCIL

CABINET

12 APRIL 2012

SUBJECT:	BANKING SERVICES
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR JEFF GREEN</i>
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to inform Members of the outcome of a procurement process to appoint a provider of banking services for the Council and to recommend that Members approve the award of the contract. The detail of the recommendation is provided in an exempt report elsewhere on this agenda.
- 1.2 Information is exempt by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972, i.e. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Cabinet on 2 June 2011 agreed to invite tenders for banking services and to extend the contract with RBS to 31 March 2013.
- 2.2 The procurement exercise for banking services commenced on 23 January 2012 and interviews were held on 28 March 2012.
- 2.3 The bids were assessed on price (55%) and quality (45% including an assessment of credit risk). The assessment was made through appraisal of submitted tenders and interviews.
- 2.4 The most economically advantageous bid has been selected and this was also the lowest priced submission. The details are in the exempt report.
- 2.5 Following the ten day stand still period required by EU regulations officers will commence a project to move banks. The initial aim is to achieve this by 30 September 2012, although the fact that the existing contract runs to 31 March 2013 allows for some leeway. The critical risks for the handover project are legal agreement, IT changes, and the fact that the switch is being made during the close down of accounts.
- 2.6 The contract is for five years with an option to extend for a further five years

3.0 RELEVANT RISKS

3.1 The provision of banking services is of critical importance to the operations of the Council. The risks are mitigated by the timing of the procurement exercise ensuring continuity of service and the use of open market competition to ensure that the Council obtains value for money.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options have been considered as the Council requires banking services and it is necessary to tender at this time as reported previously to Cabinet.

5.0 CONSULTATION

5.1 There has been no consultation undertaken or proposed for this report. There are no significant implications for partner organisations arising out of this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 The change in banks will not require a change in budgetary provision. However, the pricing schedule is complex and volumes are subject to changes in activity.

7.2 The change over of banks will involve changes in the way the Council IT systems interface with the banking systems which requires time from IT and other staff, which will be taken from existing resources.

7.3 There are no implications for assets.

8.0 LEGAL IMPLICATIONS

8.1 There are none arising from this report.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATION

12.1 That Members agree to appoint the bank recommended in the exempt report to provide banking services to the Council.

13.0 REASON FOR RECOMMENDATION

13.1 The Council requires banking services and has been forced to tender at this time because of divestment by the incumbent as reported previously to Cabinet.

13.2 This contract could be awarded under delegated authority under the Contract Procedure Rules. However previous experience shows that the process of opening bank mandates is more straight forward when there is a Cabinet minute.

REPORT AUTHOR: Paddy Dowdall

Investment Manager Merseyside Pension Fund

telephone: (0151) 242 1310

email: paddydowdall@wirral.gov.uk

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APPENDICES

Exempt Report - Selection of provider of banking services for the Council.

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet : Banking Contract	2 June 2011