

## ITEM No ...7...

**REPORT TO:** POLICY AND RESOURCES COMMITTEE – 3 JUNE 2019  
**REPORT ON:** PROVISION OF BANKING SERVICES - TENDER REPORT  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 210- 2019

### 1 PURPOSE OF REPORT

- 1.1 To seek Committee approval for acceptance of the recommended tender for provision of banking services.

### 2 RECOMMENDATIONS

- 2.1 The Committee is recommended to approve acceptance of the tender from Royal Bank of Scotland amounting to £129,135 over three year with an option to extend for a further two. This figure includes the cost of other bodies such as Tay Road Bridge Joint Board and Tayside Contracts which are administered as part of the contract.

### 3 FINANCIAL IMPLICATIONS

- 3.1 The recommended tender leads to an estimated cost of £43,045 to Dundee City Council in a full financial year.

### 4 BACKGROUND

- 4.1 The Committee agreed on 21 April 2014 that the existing contract with Royal Bank of Scotland be extended for a further three years until 30 June 2019 (Article VIII of the Minute of Meeting of this Committee of 21 April 2014, Report No 123-2014 refers). A tender exercise has now been undertaken for the three years commencing on 1 July 2019, with an option to extend for a further two.
- 4.2 Tenders were evaluated by a panel on price and a wide range of quality criteria including a presentation on service fit and added value through provision of community benefits. Tender submissions were scored to assess how effectively they met the Council's quality and service requirements.
- 4.3 Of the two responses to tender received, only one of these was compliant due to the other failing to remove pricing variances from their response. Legal advice deemed this response non-compliant.

### 5 CONCLUSION

- 5.1 The tender submission by Royal Bank of Scotland gives the desired outcome for the Council over the period. Given its ability to meet the quality criteria benefitting from continuity of service, it is considered that the new contract should be awarded to them as it offers high quality client service through dedicated Local Authority Specialist Relationship Management and provides enhancements to current products and service delivery which will also enable greater flexibility in relation to current financial management practices. This service will enable the Council to continue to adapt the current operations further in order to achieve further efficiencies and improve effectiveness.
- 5.2 In its aim to support and strengthen communities, the Royal Bank of Scotland has set up a skills & opportunities fund which supports people from disadvantaged communities to access the skills and opportunities they need to build their financial capability skills or to develop a new business. They also partner with the Prince's Trust, Scottish Government and Hunter Foundation to provide funding to entrepreneurs.

Further to this, the Royal Bank of Scotland have financial educational programmes and work also with the Council to support community events such as the Dundee Flower Show.

- 5.3 In addition to their existing three branches in Dundee, Royal Bank of Scotland have also extended the services they offer to their customers through providing banking services through the nine Post Office branches in the city.

**6 POLICY IMPLICATIONS**

6.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

**7 CONSULTATIONS**

7.1 The Council's Management Team has been consulted on this report.

**8 BACKGROUND PAPERS**

8.1 None

**GREGORY COLGAN  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**14 MAY 2019**