

REPORT TO: POLICY & RESOURCES COMMITTEE – 21 April 2014
REPORT ON: PROVISION OF BANKING SERVICES - TENDER REPORT
REPORT BY: DIRECTOR OF CORPORATE SERVICES
REPORT NO: 123-2014

1 PURPOSE OF REPORT

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

2 RECOMMENDATIONS

The Committee is recommended to approve acceptance of the tender from Royal Bank of Scotland amounting to £107,780.25 over three years. 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

The recommended tender leads to an estimated cost of £35,926.75 in a full financial year. The Dundee City Council element can be contained within existing revenue budget.

4 BACKGROUND

The Committee agreed on 09 May 2011 that the existing contract with Royal Bank of Scotland be extended for a further three years until 30 June 2014. A tender exercise has now been undertaken for the three years commencing on 1 July 2014, with an option to extend for a further two.

Tenders were evaluated by a panel on price and a wide range of quality criteria including a presentation on service fit added value. Tender submissions were scored to assess how effectively they met the Council's quality requirements, needs and challenges. Dundee City Council's banking needs have changed and The Royal Bank of Scotland delivered the best understanding of current challenges and meeting our future needs, achieving the highest score with regard to meeting the overall quality criteria.

A summary of the tender scoring matrix is shown at Appendix 1.

5 CONCLUSION

The tender submission by Royal Bank of Scotland gives the most advantageous 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 improved client service with the implementation of 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 as standard provisions included within their submission. These improvements will enable the Council to adapt the current operations further in order to achieve further efficiencies and improve effectiveness.

6 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

7 CONSULTATION

The Chief Executive and Head of Democratic and Legal Services have been consulted on this report.

8 BACKGROUND PAPERS

None

**MARJORY M STEWART
DIRECTOR OF CORPORATE SERVICES
31 MARCH 2014**

APPENDIX 1

Banking Services Tender - Summary of Evaluation Scoring Matrix						
Bank	Adjusted Price (3yr Period of contract)	Price Score (unweighted)	Price Score	Quality Score (unweighted)	Quality Score	Total
Barclays	£96,569	100	30	89.6	62.7	92.7
Lloyds Group	£104,074	92.8	27.8	93.8	65.6	93.4
Royal Bank of Scotland	£107,780	89.6	26.9	100	70	96.9

The above figures include the costs to other bodies.

Please note that the best score in each category is awarded 100 points in line with Scottish Government criteria.