

**To: Finance, Resources and Customer Services Policy Board**

**On: 30 August 2017**

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**Report by: Chief Executive and the Director of Finance and Resources**

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**Heading: Contract Authorisation Report: Framework Contract for Banking Services**

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## **1. Summary**

- 1.1. The purpose of this report is to request the Finance, Resources and Customer Services Policy Board to authorise the Head of Corporate Governance to enter into a Framework Contract for General Banking Services, reference RC/FA/138/17 on behalf of Renfrewshire Council and Associate Bodies Lot 1 and Renfrewshire Leisure Limited, Lot 2.
  - 1.2. The procurement exercise was conducted in accordance with the above EU Threshold Open Procedure for Services and the Council's Standing Orders Relating to Contracts.
  - 1.3. A contract strategy for General Banking Services was approved by the Head of Finance and the Strategic Commercial Category Manager in April 2017.
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## **2. Recommendations**

- 2.1. It is recommended that the Finance, Resources and Customer Services Policy Board authorise:
  - a. The Head of Corporate Governance to conclude the award of the single source Framework Contract for General Banking Services to Clydesdale Bank Plc;
  - b. The Framework Contract is for a 4 year period.

- c. The Framework Contract consists of 2 Lots: Lot 1 Renfrewshire Council General Banking Services and Lot 2 Renfrewshire Leisure Limited General banking Services. Any Call Off Contracts up will be issued by the respective contracting body under the relevant Lot.
  - d. Prices will be fixed for the Framework Contract in accordance with the Pricing Schedule submitted by the Clydesdale Bank Plc;
  - e. Once the Framework Contract is operational to thereafter give delegated authority to the Director of Finance and Resources and the Head of Policy and Commissioning to approve the award of any direct Call Off Contract made under Lot 1 for Renfrewshire Council;
  - f. The ceiling value of all Call Off Agreements made under both Lots of this Framework Contract will be up to the value of £247,765.
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### **3. Background**

- 3.1 The Council contract for General Banking Services with Clydesdale Bank Plc expires on 30<sup>th</sup> September 2017 and a replacement service required to be tendered. At the same time, the Renfrewshire Leisure Limited contract also expires. A collaborative procurement was agreed with the intention of Renfrewshire Leisure achieving the same pricing as the Council by creating a single supplier Framework Contract.
- 3.2 Renfrewshire Council also provides a number of services to associated bodies The Renfrewshire Valuation Joint Board, The Clyde Muirshiel Park Authority, The Glasgow and Clyde Valley Strategic Development Planning Authority and Scotland Excel and their requirements were listed alongside the Council requirements as part of Lot 1 and Renfrewshire Leisure's individual requirements form Lot 2.
- 3.3 Five suppliers noted an interest of which three tender submissions were received by the closing date for the receipt of tender submissions at noon, on 22<sup>nd</sup> May 2017. All three Tenderers were evaluated against a set of pre-determined criteria in the form of an European Single Procurement Document ( ESPD) and compliance with the terms and conditions published with the ITT.
- 3.4 One tenderer was compliant with the bid selection requirements and their tender submission was then evaluated against a set of Award Criteria which was based on a quality / price ratio of 40%/60%.
- 3.5 As part of the tender process Tenderers were asked to complete a Pricing Schedule which collected the requirements for both Lots. The Prices provided in the Pricing Schedule would be fixed for the Framework Period, apart from credit, debit and interest rates as they are linked to Bank of England interest rates. The Price for evaluation purposes was based on the total of both the Council and Associated Bodies and Renfrewshire Leisure Limited

requirements for a five (5) year period and included a cost of change calculation if applicable.

The scores relative to the award criteria of each tenderer are as follows:

<b>Tenderer Name</b>	<b>Quality Score (40%)</b>	<b>Price Score (60%)</b>	<b>Total Score (100%)</b>
Clydesdale Bank Plc	29.75	60	89.75

3.6 It is recommended that the Single Source Framework Contract is awarded to Clydesdale Bank Plc, who based on evaluation, have provided the most economically advantageous tender.

3.7 Clydesdale Bank Plc have committed to deliver the following community benefits as a result of delivery of this contract:

To work in partnership with a range of organisations to deliver community benefits, supporting people and businesses around financial capability and creating a positive impact that addresses the challenges of financial pressures.

3.8 The current Council contract for Banking Services expires on 30th September 2017 and operational reasons to ensure continuity of banking services, delegated authority is requested to allow the Director of Finance and Resources and the Head of Policy and Commissioning to make any future direct awards under Lot 1 of the Framework Contract.

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## **Implications of the Report**

### **1. Financial**

The financial status of the recommended Provider has been assessed and satisfies the Council's requirements. Financial costs will be met by the Finance Loans Funds.

### **2. HR & Organisational Development**

No TUPE implications have arisen or are anticipated

### **3. Community Planning**

None

### **4. Legal –**

The procurement exercise for these Services was conducted in accordance with the Public Contract (Scotland) Regulations 2015 Open Procedure, and the Council's Standing Orders Relating to Contracts.

5. **Property/Assets**

None

6. **Information Technology –**

ICT have been consulted providing input to the tender process.

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7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety -**

Health and Safety were consulted and have advised that there is no impact to this contract.

9. **Procurement –**

The procurement exercise for these Services was conducted in accordance with the Public Contract (Scotland) Regulations 2015 Open Procedure, and the Council's Standing Orders Relating to Contracts.

10. **Risk -**

The recommended tenderer has been assessed and evaluated to confirm that they have met the minimum requirements regarding risk.

11. **Privacy Impact**

No Privacy Impact Assessment requirements were identified within this procurement

12. **Cosla Policy Position –**

Not applicable

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**List of Background Papers**

(a) None

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