



To: Finance, Resources and Customer Services Policy Board

On: 11th December 2024

Report by: Director of Finance and Resources

Heading: Contract Authorisation Report for Framework Agreement for Banking Services (RC-CPU-23-151)

1. Summary

1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award the Framework Agreement for Banking Services (Framework Agreement) on behalf of Renfrewshire Council and Associate Bodies and any subsequent Call-Off Contracts for Renfrewshire Council and Associate bodies (Lot 1). The Framework Agreement Lots are as follows:

- (Lot 1) Renfrewshire Council and Associate Bodies
- (Lot 2) Renfrewshire Leisure Limited trading as OneRen

1.2 The recommendation to award the Framework Agreement and any subsequent Call-Off Contracts for Renfrewshire Council and Associate Bodies (Lot 1 Renfrewshire Council and Associate Bodies General Banking Services) follows a procurement exercise which was conducted as an Open Procedure for an above GPA threshold Framework Agreement in accordance the Public Contracts (Scotland) Regulations 2015, as amended, and Renfrewshire Council's Standing Orders Relating to Contracts.

- 1.3 The Contract Strategy was approved and signed by the Head of Finance and Procurement (HOFAP), Corporate Procurement Manager and Strategic Category Manager on 24 June 2024.
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2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorises the Head of Corporate Governance to award the single supplier Framework Agreement for Banking Services to Clydesdale Bank PLC and to thereafter authorise the award of a Call-Off Contract under Lot 1 Renfrewshire Council and Associate Bodies General Banking Services, which will be awarded after the Framework Agreement is established.
- 2.2 Authorises the maximum ceiling value of up to £307,500 excluding VAT, including use of all extension periods for all Call-Off Contracts awarded under the Framework Agreement.
- 2.3 Authorises the Framework Agreement for a period of 4 years. The anticipated Commencement Date of the Framework Agreement will be 26 February 2025 however the actual date will be detailed in the Letter of Acceptance.
- 2.4 Authorises a Lot 1 Call-Off Contract for a period of 5 years with the option to extend for a further 2 years at the sole discretion of the Council. The anticipated Commencement Date of the Call-Off Contract will be 1st March 2025; however the actual date will be detailed in the Letter of Acceptance.
- 2.5 Authorise the following limit of liability caps for Default in accordance with the Framework General Conditions for all Call-Off Contracts:
- Default will not exceed £250,000 per annum
 - Defaults in direct loss or damage to property will be limited to £1 million
 - These caps excludes any loss associated with mismanagement of funds, for which liability is unlimited.
- 2.6 Note that Renfrewshire Leisure Limited trading as OneRen will separately award any Call-Off Contract made under Lot 2 Renfrewshire Leisure Limited trading as OneRen of the Framework Agreement.
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3. **Background**

- 3.1 The Council acting as lead Purchaser seeks to procure a single Service Provider to provide Banking Services under a Framework Agreement. The appointed Service Provider will be required to deliver a comprehensive banking service for bodies under Lot 1 the Council and Associated Bodies and Lot 2 Renfrewshire Leisure Limited trading as OneRen. Renfrewshire Council provides a number of services to associated bodies (The Renfrewshire Valuation Joint Board, Glasgow and the Clyde Valley Strategic Development Planning Authority and Scotland Excel) and their requirements were included alongside the Council requirements as part of the scope for Lot 1 of the Framework Agreement.
- 3.2 The Council and Renfrewshire Leisure Limited trading as OneRen current Call-Off Contracts for General Banking Services with Clydesdale Bank Plc are due to expire on the 28 February 2025.
- 3.3 The procurement exercise for the Framework Agreement was conducted using the above Government Procurement Agreement (GPA) Threshold Open Procedure in accordance with the Public Contracts (Scotland) Regulations 2015, as amended and the Council's Standing Orders Relating to Contracts.
- 3.4 A contract notice was published on the Find a Tender Service via the Public Contracts Scotland portal on 27 June 2024. The Invitation to Tender was also published and available on this date from Public Contracts Scotland – Tender. During the tender live period 5 organisations expressed an interest, and 4 tender submissions were received by the closing date for the receipt of tender submissions at noon, on 29 July 2024.
- 3.5 Tender submissions were evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD) these responses were evaluated by representatives from the Corporate Procurement Unit and Treasury Management. All 4 tenderers were compliant with the minimum selection criteria set within the SPD.
- 3.6 Each tender submission was then evaluated against the published award criteria of 45% Quality and 55% Price by representatives from Corporate Procurement Unit, Treasury Management, Renfrewshire Leisure Limited trading as OneRen, Health and Safety, Risk Management, ICT, Cyber Security and an external consultant.

The Council recognises that the banking sector has statutory guidance and obligations that must be adhered to. The Council allowed tenderers to propose minimal amendments relating to the Conditions of Contract as detailed within the Invitation to Tender. Following clarifications on the

proposed amendments submitted by each of the tenderers, the Council was unable to agree to all the proposed amendments requested by 1 tenderer, who therefore were deemed as non-compliant. The scores relative to the Award Criteria for each of the 3 remaining tender submissions are shown below:

Tenderer Name	Quality Score (45%)	Price Score (55%)	Total Score (100%)
Clydesdale Bank PLC	34.00%	55.00%	89.00%
Lloyds Bank PLC	30.25%	55.00%	85.25%
The Royal Bank of Scotland Public Limited Company	34.25%	46.09%	80.34%

3.7 As the proposed amendments submitted by Clydesdale Bank PLC were minimal and acceptable to the Council, it is therefore recommended that the Single Supplier Framework Agreement is awarded to Clydesdale Bank PLC who after evaluation, submitted the most economically advantageous tender.

3.8 Voluntary Community Benefits were requested, and Clydesdale Bank PLC advised within their tender submission that they would work with the Council to deliver the benefits below as part of the Call-Off Contract:

- Targeted Employment and Training Initiatives
- Educational Support Initiatives

As the community benefits are voluntary, the community benefits will be finalised at the mobilisation meeting post award.

3.9 HOFAP considers this is a procurement where Standing Order 27.13 can be applied as detailed in section 2 above.

Implications of the Report

1. **Financial** –The maximum ceiling value for the Framework Agreement and any Call-Off Contracts made under the Framework Agreement (for the full period of 5 years plus 2 years optional) will not exceed £307,500 excluding VAT.
2. **HR & Organisational Development** – No HR and Organisation Development implications have arisen or are anticipated.

3. **Community/Council Planning –**
 - **Working together to improve outcomes** – aligns to the banking services contract as the Council must find ways to work smarter, sharpening the focus of our organisation and continue to improve services and provide a banking service to meet the significant financial challenges the Council face and this can be done by collaborating with Renfrewshire Leisure Limited trading as OneRen.
4. **Legal** - The procurement exercise for this Framework Agreement was conducted as an above Government Procurement Agreement (GPA) Threshold Open Procedure under the Public Contracts (Scotland) Regulations 2015, as amended and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** - None arising directly from this report.
6. **Information Technology** –Clydesdale Bank PLC response to the ICT and Cyber Security questions were evaluated by the Council's ICT Services and met the requirements.
7. **Equality & Human Rights** – None arising directly from this report.
8. **Health & Safety** - Clydesdale Bank PLC health and safety credentials were evaluated by Corporate Health and Safety service and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement exercise for this Framework Agreement was conducted as an above Government Procurement Agreement (GPA) Threshold Open Procedure under the Public Contracts (Scotland) Regulations 2015, as amended and the Council's Standing Orders Relating to Contracts.
10. **Risk** – Clydesdale Bank PLC insurance cover was assessed by Corporate Risk and met the Council's requirements for insurable risk.

The following limit of liability caps for Default in accordance with the Framework General Conditions all Call-Off Contracts;

- Default will not exceed £250,000 per annum
 - Defaults in direct loss or damage to property will be limited to £1 million
 - These caps excludes any loss associated with mismanagement of funds, for which liability is unlimited.
11. **Privacy Impact** - As part of the procurement process, a data protection impact assessment was conducted by Treasury Management and the

Council's Information Governance team, Clydesdale Bank PLC will be a Data Controller and agreed to the data protection requirements as noted within the Conditions of Contract.

12. **Climate Risk** - The level of impact associated with provision of the banking services has been assessed using the Scottish Government Sustainability Test and are considered to be low risk. Sustainability was included as part of the technical question in the tender document and Clydesdale Bank PLC detailed key aspect of their Environment, Social and Government (ESG) policy as well as long term targets to net zero and how they report annually. They detail past achievements as well as planned actions to make their business more sustainable.
13. **Children's Rights** – None arising directly from this report.
14. **Cosla Policy Position** – None arising directly from this report.

List of Background Papers

- (a) None

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