

Date of Meeting: 5 November 2019

Portfolio Holder: Cllr Tony Ferrari – Lead Member for Finance, Commercial and Assets

Director: Aidan Dunn, Executive Director Corporate Development

Executive Summary:

This report provides notice of a planned / known procurement activity that is in addition to the procurement forward plan approved by Cabinet on 4 June 2019.

The forward plan noted that it may be necessary to bring further requests to Cabinet as service and transformation plans are developed, and banking services has been identified as such a request. The context for moving to a single provider of banking services is the case for change and convergence of the previously separate arrangements in the six predecessor councils.

The predecessor councils to Dorset Council all had different providers of banking services – Dorset County Council banked with NatWest, Purbeck District Council with Lloyds, and East Dorset District Council, North Dorset District Council, West Dorset District Council and Weymouth and Portland Borough Council with HSBC.

Now that the predecessor councils have come together as one organisation, having multiple bankers is not the most efficient and effective way to operate, so we wish to appoint a single provider of banking services for Dorset Council.

Appointing a single provider will allow processes to be streamlined and simplified. In particular, this will enable some of the savings identified as part of the Tranche 2 review of the Corporate Development directorate to be delivered

The sooner a single banker can be appointed, the sooner these benefits can start to be realised. An open tender process will be followed, and on 17 October 2019 the contract opportunity was advertised on the Official Journal of the European Union (OJEU). Contract award is expected late December 2019, with the implementation of changes starting from early January 2020. Full details of the implementation plan will be agreed with the successful tenderer.

The decision to go to the market does not meet the financial threshold for a key decision and nor is it significant in its effect on two or more electoral wards. However, the value of the contract itself over its maximum eight year life is expected to be in the order of £1.2 million and therefore significantly in excess of the key decision threshold of £500k.

Equalities Impact Assessment:

This report does not deal with any new strategies or policies that would trigger an impact assessment.

Budget:

The cost of banking services will be met from existing revenue budgets.

Risk Assessment:

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: MEDIUM

Residual Risk LOW

Climate Implications:

None.

Other Implications:

None.

Recommendation:

That Cabinet delegate authority to the Portfolio Holder for Finance, Commercial and Assets to award a contract for banking services.

Reason for Recommendation:

Cabinet is required to approve all key decisions with a financial consequence of £500k or more, and the expected value of the contract over its full life is likely to be approximately £1.2 million.

Appendices:

Appendix 1: Additional procurement planned for 2019-20 - exceeding £500k.

Background Papers:

Procurement Forward Plan Report – over £500k (2019-20)

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