

BANKING CONTRACT UPDATE

1. INTRODUCTION

1.1 The purpose of this report is to inform members of the current banking position.

2. BANKING

2.1 During 2013, it was reported to Audit Committee, and other members that the Executive Director (S151) had approved the Council enter into a joint procurement exercise with five other Councils to source new bankers.

2.2 Due to the value of the joint contract the Councils followed EU legislation in procuring this contract. The procurement exercise was led by Southampton City Council who appointed a specialist consultant to support the team.

2.3 The contract was split into 2 lots, the first being core transactional banking, the second being merchant acquiring services (for credit and debit card transactions).

2.4 The exercise has resulted in the contract being awarded to Lloyds Bank for both lots.

2.5 The process ran to time, with all parties agreeing to key decisions unanimously.

2.6 The contract costs are no greater than the Council is currently paying. There is an anticipated saving to be made once the full transfer has been made, in relation to the acquiring facilities.

2.7 The next step will be to contact the new providers to agree implementation dates. The planned go live date is November 2014, with the Co-Operative accounts closed by March 2015.

2.8 Implementation will be led by a project manager, Principal Corporate Accountant supported by the Internal Audit Manager. Key officers have been identified and informed of the anticipated timetable. A message has also been communicated to all staff through Forestnet.

2.9 During the procurement and implementation phases, the Executive Director will continue to maintain contingent arrangements.

2.10 Project progress can be reported back to Audit Committee in September if required.

3. FINANCIAL, CRIME AND DISORDER, ENVIRONMENTAL MATTERS AND EQUALITY AND DIVERSITY IMPLICATIONS

3.1 There are no direct financial implications arising from this report, however poor project implementation may lead to financial costs and reputational damage.

4. RECOMMENDATION

4.1 The Audit Committee note the content of the report.

For Further Information Please Contact:

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Background Papers: