



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Banking Arrangements - permission to tender (incorporating efficiency targets 2011/12)
Date:	24th September 2010
Reporting Officer:	Julie Thompson, Director of Finance and Resources
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Relevant Background Information

Current Banking Arrangements

The purpose of this report seeks approval for the council to tender for banking services.

The Northern Bank has provided banking services to Belfast City Council since 1973 through various amalgamations and acquisitions. Prior to this the Belfast Corporation also used a form of the Northern Bank.

Key Issues

One of the key strands of the council's efficiency programme is to ensure that goods and services procured by the council provide value for money to the ratepayer. In order to determine whether the current banking arrangements secure value for money or not this point has been raised by Audit, Governance and Risk Services (AGRS) Treasury Management audit report which recommended that a tender exercise be conducted which should take into account fees, transaction charges, investment rates etc.

As banking is a specialist area it is recommended that the tendering process would benefit from the input of an independent expert assessor who would provide assurance and advice on the tender specification and evaluation processes.

Resource Implications

Financial – the cost of the independent expert assessor would be met from the existing invest-to-save budget. The savings from the tendering exercise will be used to contribute to the council's £1.7m efficiency target for 2011/12.

Human Resources - None

Asset and Other Implications – None

Recommendations

It is recommended that:

1. The council tenders for its banking services with an effective operational date of 1 April 2011 for a period of three years;
2. An independent expert assessor is used to provide assurance and advice on the tender specification and evaluation processes.

Decision Tracking

Key to Abbreviations

AGRS

Documents Attached