

### 3.2 TENDER FOR BANKING AND FINANCIAL SERVICES (CF2022055:DW)

Responsible Senior Officer: Danny Wain, Chief Financial Officer

#### **RECOMMENDATION\***

*That Council:*

- 1. Approves access to the Victoria Government State Purchase Banking and Financial Services Contract tendered by the Department of Treasury and Finance for provision of Banking Services, under Council Contract No. 2022055 for a schedule of rates based contract with an estimated annual contract value of \$238,000 and an estimated total contract value of \$2,200,000 inclusive of all available extension options.;*
- 2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement; and*
- 3. Notes that the contract has a five year initial term and the contract also has two separate extension options of two years each and authorises the Chief Executive Officer to approve these extension options subject to the Victorian Government Department of Treasury and Finance extension approval and satisfactory performance for the City of Monash.*

*(\*all dollar figures are GST Inclusive unless stated otherwise).*

#### **INTRODUCTION**

Council Officers seek to access a new contract through the Victorian Government Department of Treasury and Finance for the provision of Banking and Financial Services.

#### **BACKGROUND**

Westpac Bank has been the Council's service provider for the delivery of banking services for the past fifteen years and in that time has provided a high standard of banking services. Council currently engages the services through the Victorian Government Department of Treasury and Finance and this contract ends on 30 November 2021.

The Department of Treasury and Finance often establish contracts that are accessible to Local Government authorities so that they may access supplier contracts in an efficient and cost effective manner. These organisations are focused on achieving better procurement outcomes by aggregating demand and achieving improved commercial and service outcomes.

Council could have run its own tender, however, the purchasing power previously demonstrated through the Department of Treasury and Finance for Banking Services has demonstrated that Council cannot expect to establish an equivalent or better competitive

outcome. For this reason, officers chose to leverage off of the Department of Treasury and Finance tender outcome.

The proposed Department of Treasury and Finance contract is for an initial period of five years with two separate extension options of two years each.

### ***NOTIFICATION***

A Public Notice was not required because the Department of Treasury and Finance ran this tender process as allowed under Council's Procurement Policy.

### ***TENDER EVALUATION***

The Victorian Government Department of Treasury and Finance undertook an evaluation of all the submissions. Council was provided with a confidential recommendation report from the DTF detailing the suppliers that were successfully awarded a contract.

The Council evaluation panel reviewed the recommendation report and recommends that the City of Monash accesses this contract from Westpac Banking Corporation.

When evaluating the range of services, fees and charges provided by the panel members, the most cost effective service will be provided for Council by continuing the Banking Service Contract with Westpac Banking Corporation.

The final evaluation ranking had Westpac Banking Corporation ranked highest and as such, the evaluation panel recommends Council transition to the new Victorian Government State Purchasing Contract (SPC) for Banking and Financial Services and remain with Westpac Banking Corporation.

All members of the Council evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

### ***FINANCIAL IMPLICATIONS***

The new Victorian Government State Purchasing contract (SPC) with Westpac Banking Corporation is estimated to deliver approximately \$19,000 savings per annum compared to the current contract and is also lower in cost when compared with the other panel providers.

### ***CONCLUSION***

That Council approves the recommendations contained within this report to transition over to the new Victorian Government State Purchasing Contract (SPC) for Banking and Financial Services and remain with Westpac Banking Corporation.