Item 11

26th November 2026

Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

The Provision of Banking Services

Tender Reference: - GCC006301CPU

Purpose of Report:

To submit details of the Direct Award of contract for the provision of banking services and recommend acceptance of award of a contract as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the Direct Award of a contract for the provision of banking services to the supplier listed below, through the Scottish Government's single-supplier framework SP-25-006, for the period 1 January 2027 to 31 October 2030, at an estimated total value of £536,667, as detailed in the Financial implications section.

The Royal Bank of Scotland Plc
Companies House Number - SC083026

Ward No(s):	Citywide: ✓
Local member(s) advised: Yes ☐ No X	consulted: Yes ☐ No ☐

1 Background and Tender

1.1 Glasgow City Council's ("the council's") and wider Glasgow family's annual spend for the provision of banking services is £131,147. This is based on the most recent financial year 2025/26.

1.2 The council has a requirement for comprehensive banking services which include: the maintenance of the council's bank accounts, electronic banking, Bankers' Automated Clearing Services (BACS) and Clearing House Automated Payment System (CHAPS), faster payments, cash processing, foreign payments and currency, and other activities associated with local authority banking business.

1.3 The Arm's-Length External Organisations (ALEOs) and wider Glasgow Family members collaborating in this contract are Culture and Sport Glasgow operating as Glasgow Life, Culture and Sport Glasgow (Trading) CIC, City Property (Glasgow) LLP and City Building (Glasgow) LLP.

1.4 A commodity team consisting of stakeholders from Corporate Finance and the Corporate Procurement Unit (CPU) was formed to develop the sourcing strategy and deliver a contract

1.5 In line with the effective and efficient objective within the council's Sustainable Procurement Strategy 2023-2027, which can be located here, and to support the national agenda in utilising national collaborative frameworks, it was agreed that a Direct Award of contract process from Scottish Government (SG) framework for the Provision of Banking Services, reference SP-25-006, would be the most appropriate method to deliver this contract.

1.6 The duration of the contract is 3 years and 10 months from 01 January 2027 until 31 October 2030.

1.7 The contract will be utilised by Financial Services and participating bodies as outlined in paragraph 1.3.

2 Scottish Government Framework Evaluation

2.1 The framework evaluation was based on the following award criteria and weightings: -

Price	Quality	Sub Criteria
40%	60%	Terms and Conditions 0%
		Understanding the Requirement 27%
		Framework Management 18%
		Service Continuity and Continuous Improvement 9%
		Data Protection and Information Security 0%

		Fair Work First 6%
		Community Benefits 0%
		Sustainability 0%
		Composite Technical Bid 0%

2.2 The supplier recommended for the Direct Award of contract achieved a score of 88.03 in the Scottish Government's framework evaluation and is the sole supplier under this framework. This is the framework evaluation score, not a separate council evaluation score for this call-off.

3 Best Value Assessment

3.1 The SG established the framework following a competitive tender exercise at national level. The framework has a single supplier and provides for a call-off by direct award of a contract. The council undertook no further scored evaluation.

3.2 A commercial benchmarking exercise compared the SG framework rates with those under the current council contract. Applying RBS-confirmed transaction volumes for October 2025 to September 2026, the exercise identified an indicative annual saving of 49.4% for the services for which comparable rates were available. This percentage relates to the benchmarked services only and should not be interpreted as a 49.4% reduction in the total annual contract expenditure.

4 Contract implementation and Supplier Management

4.1 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a medium. The supplier will be monitored in line with our contract and supplier management process which includes tracking the supplier's performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.

4.2 Community benefit outcome commitments agreed, will be monitored via Cenefits which is a web-based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

4.3 The Purchase to Pay route is Direct Debit.

5 Policy and Resource Implications

Resource Implications:

Financial: The estimated annual contract value is £140,000, giving an estimated total value of £536,667 over the 3-year and 10-month duration of the contract.

	Expenditure will be met by the service area revenue budget. The benchmarking described in paragraph 3.2 indicates a potential saving of 49.4% on services for which comparable rates were available under the Scottish Government framework. This is an indicative rate-based comparison, not a confirmed saving against the full annual budget. Actual expenditure and savings will depend on service usage and the applicable charges. The estimated budget of £140,000, despite the indicative savings identified, ensures the contract has sufficient capacity to accommodate fluctuations in demand and changes in relation to services out with the benchmarking exercise. Spend under the contract can fluctuate and is driven by demand from customers and internal services. The estimated value also provides capacity for additional spending where wider Glasgow family members align their services under the contract.
Legal:	The report raises no new legal issues. The Director of Legal and Administration will be responsible for concluding the contract
Personnel:	No direct personnel implications.
Procurement:	A call-off by direct award under the Scottish Government's single-supplier banking services framework SP-25-006, as described in paragraphs 1.5.
Council Strategic Plan:	This supports Grand Challenge 4, Mission 3 Enable staff to deliver a sustainable and innovative council structure that delivers value for money. Reliable and resilient banking services will maintain continuity of essential payments and financial operations, supporting the council's ability to deliver essential services effectively. The procurement approach also provides evidence of value for money while supporting effective and sustainable service delivery.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2025-29	Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality. Outcome 2 – Regular and systematic design of service delivery across the Council Family to enable the inclusive, accessible, and meaningful participation of disabled people, clack and minority ethnic people and older people. Outcome 3 – People with protected characteristics can access services that meet their needs, with support and accessible information provided when required. The banking services contract supports the above outcomes by providing accessible and reliable mechanisms for customers to make payments to, and receive payments from, the council. The provision of Direct Debit offers customers a convenient method of managing regular payments, reducing the need to initiate individual transactions, while outward payment services enable the council to make payments and refunds securely and efficiently. Providing appropriate payment options supports inclusive access to council services and helps reduce potential barriers for customers with protected characteristics who may have differing payment and accessibility needs.
What are the potential equality impacts as a result of this report?	An EQIA is underway and has identified one potential negative impact in respect of closure of banking branches, however, this is mitigated by the availability of banking hubs. These banking hubs will ensure that staff still have the ability to access branch services locally.

Please highlight if the policy/proposal will help address socio economic disadvantage.

Fair Work First was included as part of the Scottish Government Framework award criteria with a weighting of 6%.

The supplier recommended for award, The Royal Bank of Scotland Plc, has confirmed the following policies within its framework submission:

- Payment of at least the Real Living Wage
- Provide appropriate channels for effective workers' voice
- Investment in workforce development
- Action to tackle the gender pay gap and create a more diverse and inclusive workforce.
- Offer flexible and family friendly working practices for all workers from day one of employment
- Oppose the use of fire and rehire practice.

Community Benefits was included as part of the SG framework tender process and was included as an unscored element, the supplier recommended for award, The Royal Bank of Scotland Plc, confirmed their commitment to deliver Community Benefits under the framework agreement. Under this call off contract the supplier recommended for award, The Royal Bank of Scotland Plc, have indicated delivery of the following outcomes:

- 6 x School Mentoring or Enterprise Programmes
- 4 x Work Experience Placements – School
- 4 x Career Events

Climate Impacts:
Does the proposal support any Climate Plan actions? Please specify:

Yes – objective 5 is supported via this contract.

What are the potential climate impacts as a result of this proposal?

The supplier recommended for award, The Royal Bank of Scotland Plc, has confirmed as part of their Scottish Government framework submission the following climate actions:

- Target of Net Zero by 2050

	• Reduce the WACI of their managed assets by 50% by 2030 against a 2019 baseline. • Provide £200 billion in climate and transition finance between 1 July 2020 and the end of 2030. • At the least halve the climate impact of their financing activity by 2030, against a 2019 baseline, supported by portfolio-level, activity-based targets. • Reduce emissions for their operational value chain, against a 2019 baseline by: reducing Scope 1 and Scope 2 emissions by 70% by 2030, while continuing to consume 100% renewable electricity in their direct own global operations. • Reduce emissions from their operational value chain, against a 2019 baseline by: reducing Scope 3 emissions by 50% by 2030. • Phase out of coal for customers who have coal production, coal-fired generation, and coal-related infrastructure globally by 01 January 2030.
Will the proposal contribute to Glasgow's net zero carbon target?	Yes, as above. The key mitigations are that: • RBS operate within the council boundary and reductions in emissions and climate initiatives across the business area shall contribute to Glasgow's net zero target.
Privacy and Data Protection impacts:	
Are there any potential data protection impacts as a result of the report? Y/N	No
If yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out	As part of the procurement process a data protection impact assessment (DPIA) screening questionnaire was undertaken and the output indicated that no DPIA would be required for this requirement.

6 Recommendations

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