

FREEDOM OF INFORMATION ACT 2000

Your request for information has now been considered and the Council's response to your questions is shown below.

You asked:

For the complete suite of council financial services (transactional banking and investment), which *provider(s) does the Council currently use, and how many individual accounts are held with each listed financial services provider? (2010/11 and 2011/12 financial years).

ANSWER:

We bank with the Co-operative Bank and have 1,123 bank accounts. The large number of accounts reflects the use of bank accounts that are specific to particular centres (for example schools and care homes) or to specific individuals (bank accounts maintained on behalf of individuals living in care homes).

We invest cash balances in interest bearing investments. The bulk of our investments are in money market deposits, and most of our investments are with the public sector - other local authorities and UK government. Investments with banks may be via the money markets but quite often we will open a deposit account (basically if this pays a higher rate of interest than a money market deposit would).

We don't invest in quoted shares, managed funds or other similar investments (only authorities with responsibilities for pension funds will make such investments, and we don't have such responsibilities). We have considered money market funds but do not currently use them.

For an overview of investments items (a) to (d) below are relevant.

Items (c) and (d) show our investments at year end, the bulk of which are money market investments. A complete list of counterparties used in 2010/11 and 2011/12 (including names missing from (c) and (d) because there was a nil balance at year end) is appended to this response as the Excel file "counterparties used".

- a. "approved lending counterparties" - we maintain a list of counterparties with whom we will invest money, the maximum amount we may invest with each and the maximum duration of investments. This document is revised from time to time in the face of changing economic circumstances.
- b. "Treas Strat 13 13 v5 doc" - this is our current treasury strategy and this specifies the basis upon which we determine our lending list. Some personal information has been removed from this document since we consider that to be an absolute exemption under section 40(2) (personal data), and this therefore constitutes a refusal under section 17 of the Freedom of information Act 2000.

- c. "Invest 31 03 2012" - this lists our outstanding investments as at the balance sheet date 31/03/2012.
- d. "invest 2011 03 31" - this lists our outstanding investments as at the balance sheet date 31/03/2011.

How frequently are the various financial services procured, and when is the existing arrangement due to end (month/ year) - for each listed provider?

Our lending list is reviewed at least monthly and the addition and removal of individual counterparties depends on our view on the overall level of economic and market risk as well as our view on the credit worthiness of individual counterparties.

Our contract with the Co-operative Bank for banking services expires in March 2013, but contains a provision for a further extension for a period of up to 2 years.

What was the average balance(s)/ cap on investment(s); of accounts held with each listed provider as at last audit? (for transactional & investment banking).

Can you please clarify what you mean by the above question? Once you have clarified your request, we will be able to reconsider your request. If this clarification is not received within three months your request will be considered to have lapsed. Under section 1(3) of the Freedom of Information Act (FOIA), a public authority need not comply with a request unless any further information reasonably required to locate the information is supplied.

Please provide the specific procurement criteria and weighting that the council uses to assesses and procures financial services.

As regards investment counterparties I refer you to attachment (b).

We have not yet determined when we will retender the banking contract and at this stage have not specified procurement criteria. Clearly price and quality will be important factors.

Detail if, and how, the procurement criteria, weighting, and assessment process has been reviewed and modified, to give effect to *Best Value Guidance* and the *Public Services (Social Value) Act 2012* to maximize public socio-economic value via procurement.

As noted above we have not yet determined the procurement criteria as we have not yet determined when the contract will be re-let.

For an organisation such as us service quality is of high importance too. As noted above we have 1,123 accounts and it will be important that we

efficiently link those accounts to the financial systems of the Council (which are complex and varied). Many of those accounts relate to schools, centres etc distributed throughout the City and so it will be important that there are good facilities to allow officers at these remote locations to pay in banking's, cash cheques and so forth. It seems probable that many of the smaller financial institutions in the UK would struggle to meet these complex needs.

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If you are dissatisfied with the handling of your request please write to:

Information Governance Manager
Information and Customer Access
Leicester City Council
FREEPOST (LE985/33)
New Walk Centre
LEICESTER LE1 6ZG

e-mail: info.requests@leicester.gov.uk

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Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow SK9 5AF
Telephone: 01625 545 700

www.informationcommissioner.gov.uk

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