

**Northern Rivers Regional Group of Councils Collective Bargaining Notification  
to Australian Competition & Consumer Commission – Tender for Transactional  
Banking Services March 2019**

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**Information**

**Notifying party**

1. Details

- |     |                            |   |
|-----|----------------------------|---|
| 1.1 | Name and Address           | Byron Shire Council, 70-90 Station Street,<br>Mullumbimby NSW 2482 and also on behalf of<br>Ballina Shire Council, Clarence Valley Council,<br>Kyogle Shire Council, Rous County Council and<br>Tweed Shire Council ( <b>the Councils</b> )   |
|     | ABN                        | 14 472 131 473  |
|     | Phone                      | (02) 66267000   |
|     | Postal Address             | PO Box 219 Mullumbimby NSW 2482   |
| 1.2 | Contact Person             | James Brickley – Manager Finance  |
|     | Phone                      | (02) 66267090   |
|     | Email                      | <a href="mailto:jbrickley@byron.nsw.gov.au">jbrickley@byron.nsw.gov.au</a>  |
| 1.3 | Description of<br>Business | Byron Shire Council and the Councils are local<br>government authorities located in the Northern<br>Rivers area of New South Wales. Each of the<br>Councils are constituted under the provisions of the<br>Local Government Act 1993 (NSW) ( <b>the Act</b> ). The<br>Act requires the Councils to provide services,<br>facilities and infrastructure to their respective<br>communities. This involves the receipt of and<br>expenditure of money to which the Act requires the<br>Councils to maintain bank accounts. |
| 1.4 | Email Address              | <a href="mailto:council@byron.nsw.gov.au">council@byron.nsw.gov.au</a>  |

**Details of the notified conduct**

2. The notified conduct is for:

2.1 Not applicable

2.2 Not applicable

2.3 Collective bargaining (s. 93AB). The notified conduct does not include a collective boycott.

3. Details of the notified conduct:

3.1 Description of the notified conduct:

The Council's propose to engage in collective negotiation of individual contracts with a financial institution for the provision of transactional banking and bill payment services. The aim of the Councils is to secure the services of a financial institution with the necessary expertise and capacity to accommodate the Councils current and future transactional

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banking requirements including bill payment services on a cost effective basis.

3.2 Relevant documents detailing the terms of the notified conduct:

Banking Services Tender Document 2019 Document (attached)

3.3 The rationale for the notified conduct:

All Councils in NSW are governed by the Act and therefore must maintain a bank account for the receipt of and expenditure of money. Due to the common interest, history of cooperation between the Councils as encouraged by the NSW State Government and operational similarities, it was efficient and anticipated to be cost effective to work together to obtain a common contract for the provision of transactional banking and bill payment services. The history of cooperation includes but not limited to examples such as regional water supply, flood mitigation, noxious weed control, regional library services, sharing of information and technical skills. Most recently the NSW Government has established Joint Organisations of Councils throughout NSW to which member Councils are now working together on a regional basis. In terms of joint procurement activities (if any), it is understood these are advised to the ACCC for either adjudication or notification with the exception of the last joint tender for transactional banking services conducted in 2013 that was not advised. In respect of the current transactional banking contracts for the Councils, these have expired on the same date (31 December 2018) and new contracts need to be entered into. All the Councils are participating in a joint tender process being coordinated by Clarence Valley Council.

3.4 Any time period relevant to the notified conduct:

The Councils wish to notify a conduct period of up to 6 years. The proposed contract is for 5 years plus allowing tender assessment and for implementation should the current banking provider not be successful. The period of 5 years has been the duration of the current contract and is the duration of a proposed contract effective from 1 July 2019.

4. Documents submitted to the notifying party's board or prepared by or for the notifying party's senior management for purposes of assessing or making a decision in relation to the notified conduct and any minutes or record of the decision made:

4.1 Report to Byron Shire Council Executive Team Meeting held 5 December 2018 and associated minutes (attached)

5. Persons/organisations who may be directly impacted by the notified conduct include:

5.1 Any financial institution with a presence in the geographical area of the Councils party to the tender process that can provide the services requested outlined in pages 11 and 12 of the tender document (attached) who determine to submit a tender response.

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**Market information and concentration**

6. Describe the products and/or services supplied, and the geographic areas supplied, by the notifying parties. Identify all products and services in which two or more parties to the notified conduct overlap (compete with each other) or have a vertical relationship (eg supplier-customer).

- 6.1 Each of the Councils provides similar services, infrastructure and facilities to their respective communities in the context of a general purpose local government authority with the exception of Rous County Council that provides bulk water, flood mitigation and noxious weed services to some

but not all of the Councils. The Councils are not in competition with each other but can offer services to each other on a fee for service basis by separate agreement ie waste and library services are examples. Currently all the Councils utilise the same financial institution for the provision of banking services with a common contract expiry date but may use the same or different providers for the provision of bill payment services.

The geographic area is related to Northern Rivers area of NSW and covers the local government areas of Clarence Valley, Ballina Shire, Kyogle Shire, Byron Shire and Tweed Shire. The proposal excludes the local government areas of Richmond Valley and Lismore City.

7. Describe the relevant industry or industries. Where relevant, describe the sales process, the supply chains of any products or services involved, and the manufacturing process.

- 7.1 The relevant industry is the banking industry offering transactional banking services.

Financial institutions provide a variety of banking products to suit individuals, business organisations and governments. Products range from bank accounts, credit cards, personal loan borrowings, home loan borrowings, insurance, investments, superannuation, financial planning, travel products, merchant services and foreign currency exchange as examples. They are a service provider and access to the products can be obtained via attending a branch, contacting a call centre or via the financial institutions website/portal.

Specifically the services sought for the provision of transactional banking services and bill payment services for each of the Councils is outlined on pages 11 and 12 of the tender document attached. These services are currently provided by financial institutions and would be available to other customers.

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8. In respect of the overlapping products and/or services identified, provide estimated market share for each of the parties where readily available.
  - 8.1 Based on the requirements of the Councils, it is suggested that potentially only the major four financial institutions could meet the needs of the Councils, however that would depend upon responses to the proposed tender. If it is limited to the four major financial institutions, they currently control 82.7% of the banking market during the 2015/2016 financial year according to an analysis by KPMG published in Australian Broker on 9 November 2016. In context to overall customers of financial institutions in Australia such as individuals, business organisations and governments, the amount of business from the Councils subject to this notification in the scheme of things is minute. It could be estimated that fees payable by the Councils would be unlikely to exceed \$700,000 per annum relative to the service requirements of the proposed tender. If that is compared to the cash earning of the four major financial institutions as provided by the ASX for the 2015 financial year at a combined \$30billion equates to a 0.002% influence on the four major financial institutions revenue. Even if the four major financial institutions are considered individually the loss of the Councils business given the scale of other customers would not have any real impact on their respective cash earnings.
  
9. In assessing a notification, the ACCC takes into account competition faced by the parties to the proposed conduct. Describe the factors that would limit or prevent any ability for the parties involved to raise prices, reduce quality or choice, reduce innovation, or coordinate rather than compete vigorously. For example describe:
  - 9.1 Existing competitors  
As outlined in 8.1, the magnitude of revenue generated by financial institutions would suggest the collective outcome of the proposed tender which would still require each Council to establish its own contract albeit on the same pricing basis if undertaken is so small against the overall customer base of financial institutions, it is suggested would have no impact on other existing customers whether individuals, business organisations, governments including other Councils from obtaining transactional banking services. It is difficult to consider that the impact of a joint tender outcome by the Councils would have any influence on the ability of existing customers obtaining competitive transactional banking services. Recognition of the size and scale of the financial institutions operating in Australia providing transactional banking services overall relative to the transactional banking services required by the Councils participating in the joint tender need to be considered.
  
  - 9.2 Likely entry by new competitors  
As outlined in 8.1, the magnitude of revenue generated by financial institutions would suggest the collective outcome of the proposed tender which would still require each Council to establish its own contract albeit on the same pricing basis if undertaken is so small against the overall customer base of financial institutions, it is suggested would have no impact on any new customers whether individuals, business organisations, governments including other Councils from obtaining transactional banking services. It is difficult to consider that the impact of a joint tender outcome

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by the Councils would have any influence on the ability of new customers obtaining competitive transactional banking services. Recognition of the size and scale of the financial institutions operating in Australia providing transactional banking services overall relative to the transactional banking services required by the Councils participating in the joint tender need to be considered.

9.3 Any countervailing power of customers and/or suppliers  
Any prospective financial institution can consider the tender requirements and whether they wish to submit a response. There is certainly no compulsion to do so and for that matter, the Councils individually reserve the right to not accept the overall tender outcome and seek their own alternative.

9.4 Any other relevant factors  
It is accepted the scope of the tender in terms of the number of Councils involved and the services required may potentially limit the ability of financial institutions to submit a tender response. Whether the Councils separately called tenders for transactional banking services, it is suggested that the scope of services required would be the same given the similar nature of Councils and their operations. Therefore the intent of the group tender whilst trying to obtain best value for money is also an efficient process compared to the Councils doing separate processes requiring multiple responses from financial institutions as opposed to a single response.

**Public benefit**

10. Describe the benefits to the public that are likely to result from the notified conduct. Provide information, documents, or other evidence relevant to the ACCC's assessment of the public benefits.

10.1 The intent of the joint procurement is to allow each of the Councils to combine their banking transactions volumes to potentially obtain cost savings in relation to fees payable for banking services. If this is possible the cost savings obtained by the Councils can be reallocated to other services provided without the confines of existing revenues paid to the Councils. The public benefit is to provide the overall cost savings to the benefit of the Councils respective communities. Given the nature of the services required in the procurement by the Councils, it is anticipated that potential suppliers would be mainly the major Australian financial institutions. Given their size and reported profits, it is suggested any reduction in potential profit by the financial institution if it determined pricing for the Councils individually as opposed as a group would be minimal in context of their national operations.

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**Public detriment (including likely competitive effects)**

11. Describe any detriments to the public that are likely to result from the notified conduct, including those likely to result from any lessening of competition. Provide information, data, documents, or other evidence relevant to the ACCC's assessment of the detriments.

11.1 It is suggested that the intent of the joint tender process is to demonstrate public benefit and Councils are being encouraged by NSW State Government to work together. If best value can be provided to the Councils from the tender process, this would be an obligation of the Councils to pursue. Given the target suppliers for the Councils for the provision of transactional banking services as indicated in the scope of the tender would likely be financial institutions of significant size, it is considered any public detriment would be minimal. Councils even if they formalise an agreement, they have the right to seek other services during the contract period.

**Contact details of relevant market participants**

12. Identify and/or provide names and, where possible, contact details (phone number and email address) for likely interested parties, such as actual or potential competitors, customers and suppliers, trade or industry associations and regulators.

12.1 The Councils participating in the joint tender for the procurement of transactional banking services include:

Council	Address	Phone	Email
Ballina Shire Council	PO Box 450 Ballina NSW 2478	1300 864 444	<a href="mailto:council@ballina.nsw.gov.au">council@ballina.nsw.gov.au</a>
Byron Shire Council	PO Box 219 Mullumbimby NSW 2482	(02) 66267000	<a href="mailto:council@byron.nsw.gov.au">council@byron.nsw.gov.au</a>
Clarence Valley Council	Locked Bag 23 Grafton NSW 2460	(02) 66430200	<a href="mailto:council@clarence.nsw.gov.au">council@clarence.nsw.gov.au</a>
Kyogle Shire Council	PO Box 11 Kyogle NSW 2474	(02) 66321611	<a href="mailto:council@kyogle.nsw.gov.au">council@kyogle.nsw.gov.au</a>
Rous County Council	PO Box 230 Lismore NSW 2480	(02) 66233800	<a href="mailto:council@rous.nsw.gov.au">council@rous.nsw.gov.au</a>
Tweed Shire Council	PO Box 816 Murwillumbah NSW 2484	1300 292 872	<a href="mailto:tsc@tweed.nsw.gov.au">tsc@tweed.nsw.gov.au</a>

Whilst it is subject to a tender process and receipt of tender offers from Australian financial institutions that can provide the services requested in the tender document, it is estimated likely tender offers may be received from the four major Australian financial institutions. It is possible smaller financial institutions may submit a tender offer, however experience has indicated this will be unlikely given the specific

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transactional banking requirements of the Councils. On the assumption tender offers are received from the four major Australian financial institutions, the contact details for these are as follows:

Financial Institution	Address	Phone	Website
Commonwealth Bank	Various	13 2221	<a href="http://www.commbank.com.au">www.commbank.com.au</a>
ANZ Bank	Various	13 1314	<a href="http://www.anz.com">www.anz.com</a>
National Australia Bank	Various	13 2265	<a href="http://www.nab.com.au">www.nab.com.au</a>
Westpac Bank	Various	13 2032	<a href="http://www.westpac.com.au">www.westpac.com.au</a>

**Any other information**

13. Provide any other information you consider relevant to the ACCC's assessment of the notified conduct.

13.1 Not applicable.

**Additional information for collective bargaining (with or without a collective boycott) conduct only**

14. Confirm that the notifying party is not a trade union, an officer of a trade union or acting at the direction of a trade union.

14.1 It is confirmed that the notifying party is not a trade union, an officer of a trade union or acting at the direction of a trade union,

15. Provide details (name, phone numbers, email address) of the persons who are current members of the group (contracting parties) on whose behalf the notification is lodged. If relevant, identify the classes of persons who may become contracting parties in the future and on whose behalf the notification is lodged.

Council	Address	Phone	Email
Ballina Shire Council	PO Box 450 Ballina NSW 2478	1300 864 444	<a href="mailto:council@ballina.nsw.gov.au">council@ballina.nsw.gov.au</a>
Byron Shire Council	PO Box 219 Mullumbimby NSW 2482	(02) 66267000	<a href="mailto:council@byron.nsw.gov.au">council@byron.nsw.gov.au</a>
Clarence Valley Council	Locked Bag 23 Grafton NSW 2460	(02) 66430200	<a href="mailto:council@clarence.nsw.gov.au">council@clarence.nsw.gov.au</a>
Kyogle Shire Council	PO Box 11 Kyogle NSW 2474	(02) 66321611	<a href="mailto:council@kyogle.nsw.gov.au">council@kyogle.nsw.gov.au</a>
Rous County Council	PO Box 230 Lismore NSW 2480	(02) 66233800	<a href="mailto:council@rous.nsw.gov.au">council@rous.nsw.gov.au</a>
Tweed Shire Council	PO Box 816 Murwillumbah NSW 2484	1300 292 872	<a href="mailto:tsc@tweed.nsw.gov.au">tsc@tweed.nsw.gov.au</a>

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16. Confirm each contracting party by providing details of the basis for that expectation:
- 16.1 Reasonably expects to make one or more contracts with the targets for the supply or acquisition of the relevant goods and services and
- Council's like all organisations require a bank account and the ability to undertake transactional banking services. Without such facilities, the Councils will not be able to undertake their financial operations. It will therefore be necessary that each of the Councils party to the joint procurement of transactional banking services will need to enter into a contract. The current existing contract for all the Councils expired on 31 December 2018 and has been extended to 30 June 2019.
- 16.2 The value of each contract will not exceed A\$3million (or any other amount prescribed by the regulation in any 12 month period).
- By reference to each of the audited financial statements of the Councils as at 30 June 2018 and the expenditure recognised at note 4 would suggest that the total expenditure of each contract will not exceed A\$3million in any 12 month period.
17. If the contracting parties propose to engage in a collective boycott with respect to the targets, provide details of:
- 17.1 The events that would trigger a collective boycott
- Not applicable.
- 17.2 The process that would be followed
- Not applicable.
- 17.3 Any proposed notice period to be given to the target/s prior to commencing a collective boycott and
- Not applicable.
- 17.4 Any proposed dispute resolution procedure between the contracting parties and the targets
- Not applicable.



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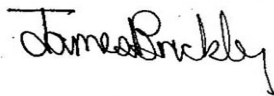
**Declaration by notifying party**

Authorised persons of the notifying party must complete the following declaration

The undersigned declare that, to the best of their knowledge and belief, the information given in response to questions in this form is true, correct and complete, that complete copies of documents required by this form have been supplied, that all estimates are identified as such and are their best estimates of the underlying facts, and that all opinions expressed are sincere.

The undersigned is aware that giving false or misleading information is a serious offence and are aware of the provisions of sections 137.1 and 149.1 of the *Criminal Code (Cth)*.

Signature of authorised person



Office held

Manager Finance

James Brickley

(Print) Name of authorised person

This twenty-seventh day of March 2019

*Note: If the Notifying Party is a corporation, state the position occupied in the corporation by the person signing. If signed by a solicitor on behalf of the Notifying Party, this fact must be stated.*

# ***NORTHERN RIVERS REGIONAL GROUP OF COUNCILS***

## **REQUEST FOR TENDER**

**T19/002**

***Provision of Banking and Bill Payment Services***

**Closes: 3.00pm Friday 22 February 2019**

Contact Council:  
Clarence Valley Council  
Locked Bag 23  
GRAFTON NSW 2460

T: 02 6643 0200

Document Date: 18 January 2019

These Tender Documents and Specification comprise the following sections:

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## SECTION 1 - CONDITIONS OF TENDERING

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## 1 INTRODUCTION

The Northern Rivers Regional Group of Councils (NRRGC) is a group of Councils made up of; Ballina Shire Council, Byron Shire Council, Clarence Valley Council, Kyogle Shire Council, Rous County Council and Tweed Shire Council.

Details of the members of the group participating in this Request for Tender are:

Council Name	Address	ABN
Ballina Shire Council	PO Box 450 Ballina NSW 2478	53 929 887 369
Byron Shire Council	PO Box 219 Mullumbimby NSW 2482	14 472 131 473
Clarence Valley Council	Locked Bag 23 Grafton NSW 2460	85 864 095 684
Kyogle Shire Council	PO Box 11 Kyogle NSW 2474	15 726 771 237
Rous County Council	PO Box 230 Lismore NSW 2480	81 383 023 771
Tweed Shire Council	PO Box 816 Murwillumbah NSW 2484	90 178 732 496

The NRRGC is seeking requests for tenders from financial institutions for the provision of transactional banking and bill payment services. It is the aim of Group members to secure services of a bank with the necessary expertise and capacity to accommodate the Group member's current and future transactional banking requirements including bill payment services on a cost effective basis.

### 1.1 CONDITIONS OF TENDERING

The Conditions of Tendering section of the tender documents does not form part of any contract that may subsequently be awarded.

### 1.2 REQUEST FOR TENDER

The Invitation to Tender is not an offer; it is merely an invitation to negotiate with any person who submits a bid. The submission of a tender does not create a contract between any Tenderer and the Principal.

### 1.3 NATURE OF CONTRACT

The nature of the work is to provide transactional banking and bill payment services to member Councils of the Group. The contract shall be a Schedule of Rates contract and shall not be subject to adjustment for rise and fall in costs during the initial one year period. The Tenderer shall complete each Schedule and lodge same with the tender. All tendered prices are to be inclusive of GST.

This tender does not include the provision of loan borrowings or investment services.

**1.4 PERIOD OF CONTRACT**

The contract shall be for a period of five (5) years. The commencement date shall be 01 July 2019.

**1.5 TENDER DOCUMENTS**

The Tender Documents shall be these Conditions of Tendering, Scope of Works, Conditions of Engagement, Schedule of Rates, and other documents as are issued by the Principal for the purpose of tendering.

No explanation or amendment to the Tender Documents shall be recognised unless in the form of a written addendum thereto issued by the Group.

**1.6 TENDER ENQUIRIES**

Any general enquiries relating to this Contract should be referred to Michael Salvestro, Financial Accountant (Clarence Valley Council) on 02 6643 0853 or Kirsty Gooley, Assistant Financial Accountant (Clarence Valley Council) on 02 6643 0852. Any specific enquiries relating to individual Councils should be referred to the persons below:

<b>Council Name</b>	<b>Name</b>	<b>Position</b>	<b>Phone number</b>
Ballina Shire Council	Carlos Alcaino	Finance Officer	02 6686 1436
Byron Shire Council	Amanda O'Donnell	Financial Operations Accountant	02 6626 7093
Clarence Valley Council	Michael Salvestro	Financial Accountant	02 6643 0853
Kyogle Shire Council	Glenn Rose	Manager Financial Services	02 6632 1611
Rous County Council	Emma Charters	Finance Team Leader - Accounts	02 6623 3800
Tweed Shire Council	Paul Drew	Treasury Accountant	02 6670 2542

**1.7 CANVASS OF ELECTED COUNCILLORS AND STAFF**

Any Tenderer canvassing the elected members or staff of any member Council with respect to the preparation, lodgement or assessment of his tender shall have that tender automatically disqualified and rejected.

**1.8 PROBITY OF TENDER PROCESS**

A Statutory Declaration is included in the Tender Documents which addresses "Collusive Tendering". Such declaration must be made and returned as part of the Tender.

## 1.9 TENDERER TO BE FULLY SELF INFORMED

A Tenderer is required to acquaint themselves with all conditions relating to the Tender.

If a Tenderer has any doubts as to the meaning of any portion of the Tender Documents they shall seek clarification from the officers listed in Clause 1.6.

Any clarification given pursuant to this clause may also be issued to all other prospective Tenderers.

## 1.10 SUBMISSION OF TENDERS

At time of tendering, all Tenderers must submit evidence to satisfy the Group of their ability to undertake the work successfully and to establish that they have adequate experience, facilities, organisation, labour, equipment and financial resources to cope with the nature and extent of the work outlined in this specification. Only Tenderers who are able to satisfy the Group in this regard will be considered.

When the tender is by a Company, there shall be set forth the name of the Company and the address for the service of notices for the purposes of this tender and any subsequent contract arising out of acceptance of the tender.

The tender shall be accompanied by any other documents required by the Tender Documents to be submitted with the tender.

The Tenderer shall sign the tender or if the tender is a Corporation, affix common seal in the manner prescribed by its articles of association or otherwise appropriately and formally have the tender signed and signature witnessed.

The documents referred to above, shall be completed in full by the Tenderer.

The Tender shall be for the whole of the Works unless otherwise stated in the Tender Documents.

The Tenderer shall not alter or add to any Tender Document except as required by these Conditions of Tendering.

## 1.11 METHOD AND ADDRESS FOR LODGEMENT OF TENDERS

Acceptable methods of submission of tenders and the relevant addresses are:

The Group will consider tenders lodged electronically and when lodged via the electronic Tender Box located at [www.tenderlink.com/clarence](http://www.tenderlink.com/clarence). Tenderers must first register on the site and then follow the prompts to submit their tender electronically.

Tenders may also be lodged at Clarence Valley Council's office located at 2 Prince St Grafton NSW 2460.

**NOTE:** Late tenders will not be accepted. Tenderers must make adequate allowance for the time involved in submitting tenders electronically. The above website provides guidance in average times to upload tenders to the Tender Box.

**1.12 CLOSING OF TENDER BOX**

The receipt of tenders shall be closed at 3.00pm local time on the advertised date of closing.

**1.13 OPENING OF TENDERS**

Tenders received will be opened at the office of the Clarence Valley Council at 2 Prince St, Grafton at 3.30pm on the specified date, or at a time suitable to the Clarence Valley Council.

The Group's appropriate person in the presence of at least 2 other people designated by the Group will open tenders. Any member of the public may attend the opening of tenders and may inquire as to whether the Principal has received a particular tender and the number of tenders received. No other information will be provided.

As soon as practical after the tenders have been opened, the Group's appropriate person will prepare a list of the names of the Tenderers in alphabetical order and the list will be displayed on each Council's website.

**1.14 INFORMAL TENDERS**

Any Tender may be rejected which does not comply with the requirements of or which contains provisions not required by the Tender Document.

**1.15 TENDER VALIDITY PERIOD**

Tenders shall remain valid for a period of ninety (90) days from the closing date of submission.

**1.16 DISCREPANCIES, ERRORS AND OMISSIONS IN TENDER DOCUMENTS**

Should the Tenderer find any discrepancy, error or omission in the tender documents he/she shall notify the Principal in writing thereof on or before the closing date for the tenders.

**1.17 QUALITY SYSTEMS**

The Group recognises the benefits in dealing with Banks who have quality systems formulated in accordance with relevant Australian Standards. Consequently, Tenderers with accreditation will, subject to other relevant criteria, be considered favourably against Tenderers who have no accreditation or those who do not intend to obtain accreditation.

**1.18 ACCEPTANCE OF TENDERS**

Unnecessarily elaborate submissions are not desired or required.

The Group shall not be bound to accept the lowest or any tender; however, the Group reserves the right to accept a tender in whole or in part.

A Tender shall not be deemed to have been accepted unless and until notice in writing of such acceptance is handed to the Tenderer or is sent by prepaid post to or is left at the address stated in the Tender Form for the service of notice.

On acceptance of this tender, the Tenderer shall comply with Section 3.2 Formal Instrument of Agreement of the Conditions of Engagement.



Unless and until a Formal Instrument of Agreement is executed in accordance with Section 3.2 of the Conditions of Engagement the Tender Documents together with the notice in writing of acceptance of the Tender shall constitute the Contract between the Principal and the successful Tenderer.

#### **1.19 REGISTRATION FOR GST/ABN**

It will be necessary for the successful Tenderer to be registered for GST as required by the Australian Taxation Office.

#### **1.20 ASSESSMENT CRITERIA**

The tenders will be assessed based on, but not limited to, the following criteria:

- (a) The best value for money, accounting for both price and non price factors, and the need to ensure benefits are commensurate with costs;
- (b) Overall cost of the banking package for the contract period;
- (c) Demonstrated capacity to implement and deliver the products and services sought;
- (d) Relevance, nature and scope of other products and services offered;
- (e) Customer functionality, reliability and technical features of the services offered;
- (f) Access to and convenience of banking services;
- (g) Demonstrated client satisfaction and record of performance in delivering the services specified;
- (h) Provision of services to review business processes; and
- (i) Demonstrated value added banking services.

The Group may hold interviews with some or all tenderers, including any personnel nominated by the Tenderer in the Tender.

The Group will consider each Tender separately and will compare each Tender with every other Tender in accordance with the Tender Document.

Tenders will be assessed using the Group's Value Selection System whereby tenders are scored against a list of assessment criteria. These criteria will be weighted and the individual scores summed to give an overall value for each tender.

Tenderers failing to complete the Schedules required to be submitted in this tender document run the risk of receiving a nil score for the relevant assessment criteria. At the sole discretion of the Group, clarification and additional information may be sought from Tenderers in order to ascertain an appropriate score against each criterion.

The criteria are not listed in any priority order and will generally not be accorded equal weight. The weighting of the criteria shall not be disclosed to Tenderers.

The Group reserves the right to not accept the lowest or any tender if circumstances dictate this action.

The Group's preference is to accept the tender from the financial institution that provides the best value for money and services to the Group but each member of the Group reserves the right to accept the tender from the financial institution that provides the best value for money and services to that individual Council.

The Group also reserves the right, during the period of the Contract to call special tenders, separate quotations or tenders for specific related services, which may relate or impact on this Agreement. The current contractors will be asked to submit an offer or tender, where relevant.

## **1.21 INTERPRETATION OF TERMS**

**'Bank'** means:

- (a) a person who carries on the business of banking, either in Australia or outside Australia; or
- (b) any other financial institution:
  - (i) that carries on a business in Australia that consists of or includes taking money on deposit; and
  - (ii) the operations of which are subject to prudential supervision or regulation under a law of the Commonwealth, a State or a Territory.

**'Confidential Information'** means information disclosed by or on behalf of a party that:

- is by its nature confidential or by the circumstances in which it is disclosed confidential; or
- is designated by the disclosing party as confidential or is identified in terms connoting its confidentiality,

but does not include information which is or becomes public knowledge during the course of the tendering process, other than by a breach of this clause.

**'Council'** means each/any individual member of the 'Group'.

**'Date of Acceptance'** means the date, which appears on the written notice, or Purchase Order issued by the Principal accepting the Tenderer's tender submission.

**'General Manager'** means the General Manager of each/any individual member of the 'Group'.

**'Group'** means the member Councils of the Northern Rivers Regional Group of Councils (NRRGC).

**'Person'** means a natural person, or a corporation, partnership, joint venture, incorporated association, government, government authority or agency.

**'Purchase Order'** means an order issued to the Contractor by the Principal providing essential detail of a particular supply requirement.

**'Schedule of Rates'** means any schedule included in the contract that shows the respective unit

rate of payment for the supply of the Goods, and unless otherwise stated the unit rate shall be in Australian dollars and inclusive of GST.

*'The Authorised Officer'* is the person so named on an official Purchase Order.

*'The Contract'* means the document which constitutes or evidences the final and concluded agreement between the Principal and the Contractor concerning supply of the Services.

*'Principal'* means the Northern Rivers Regional Group of Council's; the address of the Principal for the service of notices is General Manager, Clarence Valley Council, Locked Bag 23, Grafton NSW 2460.

*'Unit Price'* means the price per unit of the Goods stated in the Schedule of Prices or Purchase Order.

#### **1.22 LOCAL GOVERNMENT (GENERAL) REGULATION 2005**

The Group is bound to comply with the Local Government (General) Regulation 2005 when it is required to invite tenders under Section 55 of the Local Government Act 1993. Where there is any error or inconsistency between the requirements of these tender documents and the Regulation, the Regulation shall take precedence but only to the extent of such error or inconsistency.

Tenderers must comply with the Local Government (General) Regulation 2005 when submitting their tenders. A copy of the Regulation may be obtained from the Internet web site at: [www.legislation.nsw.gov.au](http://www.legislation.nsw.gov.au)

#### **1.23 GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009, (GIPA Act)**

Tenderers are advised that the provisions of the Government Information (Public Access) Act 2009 may apply to this contract which gives members of the public greater access to information concerning contracts between private sector and Government agencies.

Where the contract includes the provision of services to the public on behalf of the Group, Section 27 of the Government Information (Public Access) Act 2009 will apply.

#### **1.24 CONFIDENTIALITY OF TENDER INFORMATION**

The Group agrees to undertake to maintain the confidentiality of all confidential information pertaining to the Tenderer and its representatives during the tender process and thereafter, except as permitted under the Local Government (General) Regulations 2005, and will only use the information provided to assess the merits of a tender in accordance with the requirements of the Regulation and the contract.

**SECTION 2 - SCOPE OF WORKS**

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## **2.1 SCOPE OF WORKS**

Through this tender, the Group seeks

- A reduction in the cost of transactional banking processes through the minimisation of fees, charges and government taxes.
- Reliable and efficient service with clearly documented and measurable performance criteria.
- A mutually, pro-active and beneficial relationship with the selected service provider.
- Services to review business proposals.
- Value added banking services.
- Customer friendly and client focused bill payment facilities.

Interested Banks must demonstrate the ability to provide a full range of banking services for a Local Government entity that incorporates:

- (a) Relationship management;
- (b) Transaction accounts and appropriate account structures including a 'sweeping' account which is linked to a cash management account and an overdraft facility;
- (c) Corporate Cards including capability for exporting data into each Council's financial system;
- (d) Electronic banking services;
- (e) Direct Debit;
- (f) BPAY/BPAY View;
- (g) Other bill payment services/platforms
- (h) EFTPOS;
- (i) Credit card merchant services;
- (j) Council customer payment options including in person over the counter, by phone or via the internet;
- (k) Provision of customer payment data in an electronic format daily to Council;
- (l) Branch banking, including listing branches located within the each Council region or affiliated banking service providers;
- (m) Payables solutions;
- (n) Electronic banking systems;
- (o) Counting and processing of high volume coin collections from parking meter facilities

over the counter, and

- (p) Any additional services that may benefit the Group.

The successful tenderer must perform the services in a diligent manner and to the standard of skill and care expected of a banking corporation experienced in the provision of the type of services required by the Group in accordance with this Agreement.

## **2.2 CONTENT OF SUBMISSION IN SUPPORT OF TENDER**

Upon making an application, the interested Bank must supply detail of:

- (a) services offered to meet the scope of works outlined in Section 2.1 above;
- (b) a fee proposal for the provision of each of those services that sets out:
- i. establishment fees,
  - ii. merchant service fees,
  - iii. transaction fees,
  - iv. other charges as applicable, and
  - v. the period for which the prices will be set and the timing and method of the review of fees and charges.
- (c) details of interest rates to be paid or charged, the benchmark to be used and details on the calculation and payment of interest;
- (d) technical specifications of the electronic banking service offered (including Internet banking), cut off times for electronic payments processing, batch limits and emergency or urgent payment procedures; and
- (e) any other procedural information.

Unless otherwise stipulated the engagement will be for a **five (5) year period**. It is anticipated that calls for tenders for ensuing periods of engagement will occur approximately six (6) months prior to the expiration of the current period of engagement.

## **2.3 INFORMATION IN SUPPORT OF TENDER**

Banks will be required to submit the following information with their tenders:

- (a) name of Bank offering to provide the services;
- (b) street, postal and email address, and telephone numbers;
- (c) confirmation that the Bank holds current Authorised Deposit-Taking Institution (ADI) status and its current credit rating;
- (d) details of staff or employees proposed to have overall responsibility and management for provision of services, including:
- full name;
  - qualifications, if applicable;

- length of time employed with Bank; if applicable;
  - details of experience in handling scope of work in question;
  - any other relevant experience.
- (e) details of professional indemnity, minimum of which to be \$20 million per claim, and public liability insurance carried including the name of the company providing the insurance, the amounts of cover, policy numbers and expiry dates;
- (f) any other details considered relevant; in particular factors addressing the selection criteria, which may assist in assessment of the tender;
- (g) a structured implementation plan;
- (h) acknowledgment that the tender prices quoted are inclusive of GST;
- (i) details of the Bank's quality management plan / procedures to include:
- response service standards for requests for advice (i.e. timeframe to return phone calls and answer correspondence and how urgent matters will be dealt with); and
  - details of after hours contacts and availability in urgent situations;
- (j) details of any value added electronic services provided by the Bank;
- (k) details of at least three existing clients who are able to be contacted in regards to the services offered by the Bank as part of this tender;
- (l) details of the customer service network provided (helpdesk) facility, with a primary and secondary contact person nominated to assist in the answering of any queries that may arise. The name of the primary and secondary contact person(s) must be provided along with contact telephone number(s) and email address; and
- (m) Arrangements for disaster recovery or other contingency plans for emergencies associated with the provision of banking services.

## 2.4 REQUIREMENTS AND SPECIFICATIONS

### 2.4.1 Current Bank Account Structure

Council Name	Accounts Required
Ballina Shire Council	1 x Cheque Account 1 x At Call Account
Byron Shire Council	1 x Cheque Account 1 x At Call Account 5 x Cheque Accounts for Caravan Parks, Sports Centre, Children's Services
Clarence Valley Council	1 x Cheque Account 1 x Trust Account 5 x Cheque accounts for Caravan Parks 1 x 24 hour Cash Deposit Account
Kyogle Shire Council	1 x Cheque Account 1 x Restricted Funds Account 1 x Trust Account
Rous County Council	1 x Cheque Account 1 x Business Online Saver Account
Tweed Shire Council	1 x Cheque Account 1 x Business Online Saver Account

All non-online bank accounts for all members of the Group are to be cheque accounts bearing interest.

### 2.4.2 Overdraft Facilities

Council Name	Limit Required
Ballina Shire Council	Not required
Byron Shire Council	Not required
Clarence Valley Council	\$500,000 on Cheque Account
Kyogle Shire Council	Not required
Rous County Council	\$100,000 on Cheque Account
Tweed Shire Council	\$1.0m on Cheque Account

### 2.4.3 EFTPOS Facilities

Council Name	Number Required
Ballina Shire Council	13 terminals with credit card payment facilities 1 Gateway merchant number Community service 1 Airport merchant number for Airport parking machines
Byron Shire Council	10 terminals with credit card payment facilities, plus parking meter merchant facilities
Clarence Valley Council	17 terminals with credit card payment facilities
Kyogle Shire Council	3 terminals with credit card payment facilities
Rous County Council	1 terminals with credit card payment facilities
Tweed Shire Council	14 terminals with credit card payment facilities



**2.4.4 Corporate/Business Cards**

Council Name	Number of cards required	Limit
Ballina Shire Council	Currently with NAB	N/A
Byron Shire Council	49	\$185,000
Clarence Valley Council	30	\$150,000
Kyogle Shire Council	5	\$14,000
Rous County Council	27	\$110,000
Tweed Shire Council	60	\$300,000

**2.4.5 Electronic Banking Needs**

Each member of the Group requires the following Electronic Banking needs:

- The ability to transfer funds electronically for both payroll and accounts payable (creditors),
- The ability to transfer funds between bank accounts,
- The ability to retrieve funds from external bank accounts via direct debit,
- The ability to stop cheques online, and
- The ability to create ad hoc templates for one off fund transfers.

**2.4.6 Payroll**

Council Name	Payroll frequency	Number of employees	Number of payment transactions
Ballina Shire Council	Fortnightly	310	500
Byron Shire Council	Fortnightly	305	386
Clarence Valley Council	Fortnightly	540	730
Kyogle Shire Council	Fortnightly	120	160
Rous County Council	Fortnightly	82	119
Tweed Shire Council	Weekly	734	753

**2.4.7 Accounts Payable**

Council Name	Number of Payment runs per week	Number of cheques per annum	Number of EFTs per annum
Ballina Shire Council	3	700	6,500
Byron Shire Council	2	1,537	7,500
Clarence Valley Council	2	670	10,000
Kyogle Shire Council	1	500	2,500
Rous County Council	2 per month	5	3,000
Tweed Shire Council	1	923	11,787

**2.4.8 Accounts Receivable**

Accounts receivable for the Group consist of the following payment types:

- Sundry Debtors,
- Permits, Licences, and
- Grant monies.

The Group favours electronic or remote means of making payments to provide its customers with the ability to make payments at locations and times that suit their particular circumstances.

As with its Rates and Water Accounts, Councils provide EFTPOS, MasterCard and Visa credit card facilities for customers at their Administration Offices for payment of these accounts.

#### **2.4.9 Direct Debit**

<b>Council Name</b>	<b>Direct Debit Required</b>
Ballina Shire Council	Yes
Byron Shire Council	Yes
Clarence Valley Council	Yes
Kyogle Shire Council	Yes
Rous County Council	Yes
Tweed Shire Council	Yes

Not all members of the Group currently accept credit card payments by direct debit however this option should also be included in any submission.

The ability to nominate more than one bank account for direct debit would be preferred.

#### **2.4.10 Direct Credit**

The Group currently experiences many instances where ratepayers pay a variety of accounts directly to Council's General Fund Bank Account without reference or use of an incorrect reference for their payment. The Group is seeking suggestions for a solution to this problem.

All costs to the Group in searching erroneous payments such as Trace Fees should be detailed in this tender.

#### **2.4.11 BPAY**

Multiple biller codes will be required for a number of member Councils with BPAY, to accept payments for rates, water and sundry debtor accounts.

<b>Council Name</b>	<b>Multiple Biller Codes Required</b>
Ballina Shire Council	Yes
Byron Shire Council	Yes
Clarence Valley Council	Yes
Kyogle Shire Council	Yes
Rous County Council	Yes
Tweed Shire Council	No

**2.4.12 Bill Payment Facilities**

Council Name	Bill Payment Facilities Required
Ballina Shire Council	Yes
Byron Shire Council	Yes
Clarence Valley Council	Yes
Kyogle Shire Council	Yes
Rous County Council	Yes
Tweed Shire Council	Yes

Average monthly agency payment volumes for each member of the Group are below:

Council Name	Australia Post Transactions		BPay Transactions		BPoint Transactions		BPAY View Presentments	
	Average number	Average \$ amount	Average number	Average \$ amount	Average number	Average \$ amount	Average number	Approx Clients
Ballina Shire Council	184	\$105,000	3,800	\$1.40m	80	\$60,000	400	100
Byron Shire Council	1312	\$600,000	9,500	\$4,595m	412	\$216,615		
Clarence Valley Council	3,500	\$1.01m	15,000	\$3.83m	75	\$42,000	490	1,200
Kyogle Shire Council	450	\$210,000	940	\$340,000				
Rous County Council	180	\$29,500	528	\$107,000				
Tweed Shire Council	5,200	\$2.30m	17,800	\$6.81m	394	\$326,000	388	1703

Note: Ballina Shire Council currently utilises the following third party direct deposit facilities in conjunction with CBA merchant facilities:

- Eway Payment Gateway. This is a booking facility used by the Ballina Visitors Information Centre.
- Merchant Warriors. Booking facility used by Flat Rock Caravan Park.
- Integrated Technology Solutions Limited. This organisation provides parking machines at the Airport (10 Machines) with one merchant number.

**2.4.13 Credit / Debit Cards Merchant Services**

The Group currently accepts MasterCard and Visa cards for payment.

Over the counter transactions are processed via merchant facilities at the Group's Administrative Offices, which provide real time processing.

All costs associated with these products including establishment and implementation fees, equipment and maintenance costs, termination fees, contract period and transaction fees are to be itemised in the tender.

The number of EFTPOS terminals required is set out in 2.4.3.

**2.4.14 Branch Banking**

Members of the Group generally deposit on a daily basis. The deposit, consisting of cash, cheques and postal money orders is secured with a completed deposit slip in a secure satchel, which is delivered to the bank each morning by either security agency staff or Council Staff. The average of daily cash deposit varies.

Council Name	Banking frequency	Average Cash Deposit	Staff delivering banking
Ballina Shire Council	Daily	\$10,000	Security
Byron Shire Council	Daily	\$2,000	Council
Byron Shire Council (Parking Meters)	Twice weekly	\$13,900	Security
Clarence Valley Council	Daily	\$5,300	Security
Kyogle Shire Council	Daily	\$400	Council
Rous County Council	Twice weekly	\$0	Council
Tweed Shire Council	Daily	\$11,000	Security

Cheque encashment is required on an ad-hoc basis to replenish petty cash supplies.

**2.4.15 Electronic Banking Systems**

The tender should include all details of the security measures provided for payments by the Group such as security encrypted passwords or security tokens; and the suggested measures that the Group should consider in ensuring that the highest level of security is maintained within the payment system.

**2.4.16 Account Signatories**

Members of the Group have various numbers of signatories on their bank accounts. All, with any two signatures required to authorise any cheques or account changes.

The Group seeks to maintain the two levels of authorisation.

**2.4.17 Daily Account Information Access – On Line Banking**

Account information must be able to be accessed electronically and transactions downloaded daily. All downloaded transactions must be able to be uploaded to each Council's Finance System, including bank reconciliations.

Direct payments to the General Account are to be transacted overnight.

**2.4.18 Helpdesk Facilities**

The successful Tenderer is required to provide a designated helpdesk facility operating between 8am and 5.30pm, with a nominated contact person to support each Council's banking operations.

The name of the primary and secondary contact person(s) must be provided along with contact telephone number(s), email address and fax numbers.

Wherever possible the successful tenderer should endeavour to resolve any outstanding issues as a matter of priority and ideally within a 24 hour period.

#### **2.4.19 Indicative Transaction Volumes**

Figures supplied below are representative of current annual volumes and transaction levels. Where exact figures are not known or were unable to be identified, calculations were made based on such information available.

**Northern Rivers Regional Group of Councils**  
**Tender No: T19/002**

PROVISION OF BANKING AND BILL PAYMENT SERVICES

COUNCIL	Ballina Shire Council	Byron Shire Council	Clarence Valley Council	Kyogle Shire Council	Rous Water	Tweed Shire Council
<b>Payments -</b>						
Online Same Day Transfer	1	330	50	20	0	21
Online Immediate Transfer	1	330	50	20	0	21
Outgoing International Transfers	1	12	0	0	0	13
<b>Deposits -</b>						
Approximate Number of Paper Deposits	150	520	700	0	181	0
Approximate Cheques Deposited	700	3,803	11,000	600	295	0
Electronic Debits - EFT's Received Biller Initiated	30	7,000	1,600	800	273	0
Direct Debit	1,300	15,000	0	0	0	0
BPAY	0	\$155,000 average daily	\$180,000 average daily	5,000	6,500	\$224,271 average daily
<b>Other -</b>						
Cheques Cashed	10	26	500	60	10	847
Stop Cheque Payment	20	14	11	10	0	4
Inward Dishonour Cheque	5	6	8	24	0	2
Inward Dishonour Direct Entry	20	67	25	60	0	928
<b>Corporate Credit Cards -</b>						
Average transaction amount per month	\$200	\$125	\$220	\$200	\$18,000	\$21,208
Average number of transactions per month	664	243	100	20	80	350
<b>EFTPOS Facilities -</b>						
Average credit turnover per month	\$100,000	\$360,000	\$463,000	\$180,000	\$12,500	\$326,168
Average number of credit transactions per month	500	1,250	2,500	1,000	40	236
Average debit turnover per month	\$60,000	\$100,000	\$341,000	\$360,000	\$1,750	\$239,029
Average number of debit transactions per month	300	1,200	1,400	1,200	11	1,506
<b>Average Monthly Credit Balance -</b>						
Cheque Account	\$2,000,000	\$2,152,182	\$3,100,000	\$3,600,000	\$50,000	\$3,794,232
At Call Accounts	\$0	\$1,246,023	\$1,000,000	\$800,000	\$2,000,000	\$6,882,192
Trust Accounts	\$0	\$0	\$5,800	\$6,000	\$0	\$0
Other Accounts	\$0	\$123,207	\$55,185	\$0	\$0	\$0

**2.4.20 Financial Systems Used by Councils**

<b>Council Name</b>	<b>Financial System</b>
Ballina Shire Council	Authority (by Civica)
Byron Shire Council	Authority (by Civica)
Clarence Valley Council	Technology One
Kyogle Shire Council	Authority (by Civica)
Rous County Council	Microsoft Navision
Tweed Shire Council	Technology One (Financials) iChris (Payroll)

**SECTION 3 - CONDITIONS OF ENGAGEMENT**

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### **3.1 METHOD OF ENGAGEMENT**

The Bank that is selected to provide services will be advised in writing by the General Manager. The selected Bank will be required to execute an agreement setting out the terms and conditions of engagement.

### **3.2 FORMAL INSTRUMENT OF AGREEMENT**

Until the Formal Instrument of Agreement is executed by both parties, the agreement in writing between the Bank and the Group for the services required shall constitute the contract between them.

The Bank shall execute and return both copies of the Formal Instrument of Agreement within 14 days of receipt of written request by the Group.

If the Bank fails to execute the Formal Instrument of Agreement within the period specified, the Group shall be entitled to treat such a failure as a default of the contract.

### **3.3 ENGAGEMENT TERMS**

By tendering for the provision of services the bank guarantees that it has:

- a) the expertise to fulfil the scope of work criteria;
- b) the ability to maintain confidentiality;
- c) the ability to avoid potential conflicts of interest;

Notwithstanding the engagement of the Bank, the Group reserves the right to: obtain from any source, services which the Bank may already have been engaged to provide.

### **3.4 CONFLICT OF INTEREST**

The Bank warrants that, at the date of entering into the Contract, no conflict of interest exists or is likely to arise in the performance of its obligations under the Contract. If, during the term of the Contract, a conflict or risk of conflict of interest arises, the Bank undertakes to notify the Group immediately in writing of that conflict or risk.

### **3.5 REPORTING REQUIREMENTS**

As a minimum, the Bank shall provide bank statements for each account setting out the transactions for the period including any fees or charges and interest charged or paid. The statements shall be for intervals of not greater than one month and should also be available for electronic download.

### **3.6 CONFIDENTIALITY**

The Bank shall not disclose or make public any information or material acquired or produced in connection with or by the performance of banking services without prior approval in writing of Council.

### **3.7 DISPUTES**

All disputes or differences arising out of the Contract or concerning the performance or the non-performance by either party of its obligations under the Contract whether raised before or after the execution of the service under the Contract shall be decided as follows:

- a) The Bank shall, not later than 14 days after the dispute or difference arises, submit the matter at issue in writing, specifying with detailed particulars of the matter at issue, to the General Manager for decision and the General Manager shall, as soon as practicable thereafter, give his decision to the Bank.
- b) If the Bank is dissatisfied with the decision given by the General Manager, it may, not later than 14 days after the decision of the General Manager is given to them, submit the matter at issue in writing, specifying with detailed particulars of the matter at issue, to the Council for decision and the Council shall, as soon as practicable thereafter, give its decision to the Bank in writing.

If the Bank is dissatisfied with the decision given by the Council pursuant to the last preceding paragraph, it may, not later than 28 days after the decision of the Council is given to them, give notice in writing to the Council requiring that the matter at issue be referred to arbitration and specifying with detailed particulars the matters at issue that shall be determined by arbitration. If, however, the Bank does not, within the said period of 28 days, give such a notice to the Council requiring that the matter at issue be referred to arbitration, the last preceding paragraph shall not be subject to arbitration.

Where a notice is given by the Bank to the Council pursuant to the last preceding paragraph requiring that the matter at issue be referred to arbitration no proceedings in respect of that matter at issue shall be instituted by either the Council or the Bank in any court unless and until the arbitrator has made his award in respect of that matter at issue.

Arbitration shall be effected:

- a) by an arbitrator agreed upon in writing by the parties within 28 days after the said notice is received by the Council; or
- b) in the absence of that agreement, by one of at least three persons, none of whom shall be an employee of the Council or of the Bank or have had any association with the work under the Contract, whose names are submitted in writing by the Council for selection by the Bank within a further period of 28 days after expiry of the last mentioned period, being the person whose selection as arbitrator is notified in writing by the Bank to the Council within 28 days after the names are so submitted; or
- c) in the absence of that selection, by an arbitrator appointed in accordance with the provisions of the laws relating to arbitration in force in the State or Territory.

A reference to arbitration under this clause shall be deemed to be a reference to arbitration within the meaning of the laws relating to arbitration in force in the State or Territory and the arbitration proceedings shall be conducted in that State or Territory. The arbitrator shall have all the powers conferred by those laws and it shall be competent for him/her to enter upon the reference without any further or more formal submission than is contained in this clause.

Monies that are or become due and payable by the Council in respect of the service carried out under

the Contract shall not be withheld because of arbitration proceedings but the Council may, at its discretion and pending the award of the arbitrator withhold payment of moneys in respect of any matter that is the subject of arbitration proceedings.

### **3.8 TERMINATION OF CONTRACT**

The Group may terminate this engagement by giving three months' notice in writing to the Bank at any time.

The Group may terminate this engagement by giving 24 hours notice in writing to the Bank if any member or employee of the Bank engaged in providing the banking services at any time:

- a) knowingly commits any serious or persistent breach of the terms or conditions of this engagement;
- b) is, in the opinion of the Group, guilty of any misconduct, misbehaviour, incompetence, negligence, carelessness or gross inefficiency in the discharge of their duties under this engagement;
- c) becomes bankrupt or makes any arrangement or composition with their creditors;

The Group may also terminate this engagement by giving 24 hours' notice in writing to the Bank if the Bank at any time:

- a) ceases to hold ADI status; or
- b) being a company, has an application or order made, or a resolution passed for its deregistration or winding up, goes into liquidation, stops payment of its debts or is unable to pay its debts within the meaning of the Corporations Law, is placed under official management, or has a receiver, manager or inspector appointed over any of its assets; or
- c) is, in the opinion of the Group, unable or unwilling, for any reason, to undertake the provision of the banking services in a manner entirely satisfactory to the Group.

### 3.9 GENERAL MATTERS

The contract shall not be varied in any way other than by agreement in writing signed on behalf of the Group and the Bank wherein the provisions of this contract are specifically stated to be varied.

Notwithstanding anything else to the contrary, the Group may, from time to time and in its absolute discretion, instruct any other Bank to provide the same or similar banking services.

Any reference to the volume of the transactions the Group may require is indicative only and the Group does not make any representations that the same or similar volumes of transactions will be required pursuant to this engagement. The Bank acknowledges that it accepts this engagement without reliance on any representations by the Group.

### 3.10 PAYMENT

The Bank shall lodge tax invoices for work completed. All invoices shall have the costings per item of the Services provided. The invoice shall clearly state the amount of GST payable and conform to the requirements of a tax invoice (as defined in GST law).

Payment for fees associated with this contract shall be debited from the appropriate account to which the fee relates.

### 3.11 GST AND OTHER EXPENSES TO BE INCLUDED IN RATES

The Tendered Rates, (subsequently in this document referred to as the "Fees") are inclusive of all expenses of the Bank, insurance, duties, imposts and taxes which shall be paid by the Bank and are inclusive of GST where applicable.

### 3.12 INFORMATION PRIVACY ACT

In this clause:

**Act** means the *Privacy and Personal Information Act 1998*

**Privacy Laws** means the Act; and the Information Privacy Principles set out in the Act or any 'code of practice' approved under the Act that applies to any of the parties to this Contract.

**Personal Information** means all information about a person that is "personal information" as defined in the Act which is collected and/or handled by any of the parties in connection with this Contract.

- a) The Bank agrees to deal with all Personal Information in a manner which is consistent with the Privacy Laws and any other relevant privacy legislation, as if the Bank were a public sector organisation.
- b) The Bank is to collect, use, disclose or otherwise deal with Personal Information only for the purposes of fulfilling its obligations under this contract.
- c) The Bank is not to disclose Personal Information without the written authority of Council, and in any event disclosure is to be in accordance with the Privacy Laws.
- d) The Bank is to immediately notify Council where it becomes aware that a disclosure of Personal Information may be required by law.
- e) The Bank is to ensure that any employees, agents, and any other person who may have access to Personal Information held by the Bank, are aware of the obligations of the

Bank under this agreement and undertake to not collect, access, use, disclose or otherwise deal with Personal Information except in performing their duties of employment and in accordance with this agreement.

- f) The Bank is to take all reasonable measures to ensure that Personal Information is protected from misuse and loss and from unauthorised access, modification, disclosure or other misuse and that only personnel necessary to fulfil the obligations under this agreement have access to the Personal Information.
- g) The Bank is to have:
- policies for the management of personal information; and
  - complaint handling procedures.

Each party is to immediately notify the other when a complaint is received.

- h) The Bank acknowledges that individuals have the right to request access to, or correction of, the Personal Information held about them.
- i) The Bank, in respect to Personal Information, is to immediately notify the Group where the Bank becomes aware of a breach of this clause or the Privacy Laws.
- j) The Bank indemnifies the Group in respect of any liability, loss or expense incurred arising out of or in connection with a breach of the obligations of the Bank under this agreement.
- k) When this agreement expires or is terminated, the Bank must, at the Group's discretion:
- either return to the Group all records containing Personal information;
  - retain any material containing Personal Information in a secure manner as approved by the Group; or
  - destroy or delete any Personal Information.

This sub-clause will survive the expiration or termination of this Contract.

- l) The Bank shall indemnify the Group and keep the Group indemnified against any failure of the Bank to comply with its obligations under this clause.

**SECTION 4 - LIST OF TENDER DOCUMENTS**

<b>4.1 FORM OF TENDER</b>	<b>29</b>
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<b>4.4 EXISTING CORPORATE CLIENTS (PREFERABLY LOCAL GOVERNMENT) WITH SIMILAR SERVICES TO THIS CONTRACT</b>	<b>30</b>
<b>4.5 DECLARATION OF CURRENT ADI STATUS</b>	<b>31</b>
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<b>4.9 SCHEDULE OF RATES CONTINUED</b>	<b>33</b>
<b>4.10 COLLUSIVE TENDERING - STATUTORY DECLARATION</b>	<b>34</b>

**Northern Rivers Regional Group of Councils****Tender No: T19/002**

PROVISION OF BANKING AND BILL PAYMENT SERVICES

**4.1 FORM OF TENDER**

Northern Rivers Regional Group of Councils  
 C/- General Manager  
 Clarence Valley Council  
 Locked Bag 23  
 GRAFTON NSW 2460

I/We, the undersigned having examined and acquired an actual knowledge of this Request for Tender, do hereby offer to perform the works / services herein described under contract, at the rates proposed in the completed schedules attached and in strict accordance with the General and Special Conditions of Contract and Specification and Schedules:

Name and Title			
On behalf of (Full name of Firm / Individual)			
Postal Address			
ABN / BN / ACN			
Telephone	Business:	After Hours:	
	Mobile:		
Email			
Business / Trading Name			
Name / s of Proprietors			
If applicable, I/We confirm the receipt and inclusion the Proposal of addenda/s numbered:			

Signature		Date	
Witness Signature		Date	
Name of Witness			

Affix Company Seal here if applicable:

**4.2 SCHEDULE OF INSURANCE**

**4.2.1 Public Liability**

Name of Insurer	
Policy Number	
Date of Expiry	

**4.2.2 Professional Liability**

Name of Insurer	
Policy Number	
Date of Expiry	

**4.3 PROFESSIONAL QUALIFICATIONS**

Provide details of key personnel proposed to have overall responsibility and management for provision of services

NAME	POSITION / ROLE	LOCATION	QUALIFICATION	TIME IN ROLE	TIME WITH BANK

**4.4 EXISTING CORPORATE CLIENTS (PREFERABLY LOCAL GOVERNMENT) WITH SIMILAR SERVICES TO THIS CONTRACT**

NAME OF CLIENT	NAME OF CONTACT PERSON	PHONE
		PH:
		PH:
		PH:

Signature	Date	
Company Name		



**4.5 DECLARATION OF CURRENT ADI STATUS**

Please provide confirmation of current ADI status.

**4.6 DECLARATION OF CURRENT CREDIT RATING**

Please provide proof of your credit rating.

**4.7 QUALITY MANAGEMENT PLAN**

Please provide details of your quality management plan.

**4.8 DECLARATION OF SUPPORTING MATERIAL**

Provide on this schedule or attach any information supporting your ability to meet the requirements of the tender

Signature		Date	
Company Name			

**4.9 SCHEDULE OF RATES**

Attached to this specification is a Schedule of Rates. Complete the following table detailing all applicable fees and charges for the accounts and facilities offered as part of this tender. **Tenderers should provide details of rates and applicable fees based on all member Councils of the Group accepting your tender and then a schedule of rates and applicable fees based on only each individual member Council of the Group.**

ALL RATES TO BE INCLUSIVE OF GST

Item Number	Fee	Unit	Amount Including GST	Comments
<b>4.9.1</b>	<b>General Fees</b>			
4.9.1.1	- Account set up fee	Item	\$	
4.9.1.2	- Monthly service fees	Monthly	\$	
4.9.1.3	- Bank cheque	Item	\$	
4.9.1.4	- Dishonours	Item	\$	
4.9.1.5	- Special answers	Item	\$	
4.9.1.6	- Extra statements	Item	\$	
4.9.1.7	- Voucher retrieval & tracing	Item	\$	
4.9.1.8	- Audit confirmations	Item	\$	
4.9.1.9	- Overdraft fees	Fee	\$	
<b>4.9.2</b>	<b>Withdrawal Transaction Fees (list all)</b>			
4.9.2.1	- Cheque	Item	\$	
4.9.2.2	- Electronic	Item	\$	
4.9.2.3	- Branch assisted	Item	\$	
<b>4.9.3</b>	<b>Deposit Transaction Fees (list all)</b>			
4.9.3.1	- Cheques	Item	\$	
4.9.3.2	- Electronic	Item	\$	
4.9.3.3	- Cash	Item	\$	
4.9.3.4	- Bulk coin	Item	\$	
4.9.3.5	- Mail/locked box	Monthly	\$	
4.9.3.6	- Branch assisted	Monthly	\$	
<b>4.9.4</b>	<b>Merchant Facilities</b>			
4.9.4.1	- Monthly terminal fees	Monthly	\$	
4.9.4.2	- Credit card transactions	% or Fee		
4.9.4.3	- Debit card transactions	Item	\$	
4.9.4.4	- Service fees	% or Fee		
<b>4.9.5</b>	<b>Government Taxes &amp; Duties (List as applicable)</b>			
4.9.5.1			\$	
4.9.5.2			\$	
4.9.5.3			\$	
<b>4.9.6</b>	<b>Electronic Banking</b>			
4.9.6.1	- Set up fees	Item	\$	
4.9.6.2	- Licence fees	Item	\$	
4.9.6.3	- Authorised User fees	Item	\$	

Signature		Date	
Company Name			

**4.9 SCHEDULE OF RATES continued**

<b>Item Number</b>	<b>Fee</b>	<b>Unit</b>	<b>Amount Including GST</b>	<b>Comments</b>
<b>4.9.7</b>	<b>Credit Cards</b>			
4.9.7.1	- Set up fees	Item	\$	
4.9.7.2	- Transaction fees	Item	\$	
4.9.7.3	- Benchmark interest rate	%		
4.9.7.4	- Interest free days	# of days		
<b>4.9.8</b>	<b>Bill Payment Facilities</b>			
4.9.8.1	- Set up fees	Item	\$	
4.9.8.2	- Monthly fees	Monthly	\$	
4.9.8.3	- Credit card transactions	% or Fee	\$	
4.9.8.4	- Debit card transactions	Item	\$	
4.9.8.5	- Service fees	% or Fee	\$	
4.9.8.6	(List further as applicable)			
<b>4.9.9</b>	<b>Other Fees</b> (List as applicable)			
4.9.9.1			\$	
4.9.9.2			\$	
4.9.9.3			\$	
4.9.9.4			\$	
4.9.9.5			\$	
<b>TOTAL FOR ASSESSMENT PURPOSES ONLY</b>				\$

Signature		Date	
Company Name			

4.10 COLLUSIVE TENDERING - STATUTORY DECLARATION

(Page 1 of 2)

I, ..... (Full name),

..... (Position)

of .....(Name of Tenderer)

..... (Address of Tenderer)

do solemnly and sincerely declare that:

1. DEFINITIONS

In this Statutory Declaration:

“Bidders” means any tenderers for the Contract and includes the Tenderer;

“the Contract” means the Contract to which this Tender and Statutory Declaration pertains;

“Industry Association” means any organisation of which bidders are members;

“the Tenderer” means (insert name of company, other body corporate, firm, or individual)

.....;

“Tender Price” means the amount or amounts indicated by a Bidder as the lowest amount or amounts for which that Bidder is prepared to perform the Contract.

2. INTRODUCTION

2.1 I hold the position of (insert title)

..... of the Tenderer and am duly authorised to make this declaration on its behalf.

2.2 I make this declaration on behalf of the Tenderer and on behalf of myself.

3. NO KNOWLEDGE OF TENDER PRICES

Prior to the Tenderer submitting its tender for the Contract, neither the Tenderer, nor any of its employees or agents, had knowledge of the Tender Price, or proposed Tender Price, of any Bidder (other than the Tenderer) who submitted, or proposed to submit, a tender for the Contract.

4. DISCLOSURE OF TENDER PRICE

Neither the Tenderer, nor any of its employees or agents has disclosed nor will they disclose prior to the Closing Date the Tenderer’s Tender Price to:

4.1 any other Bidder who has submitted or will submit a Tender for the Contract;

4.2 any other person, company, body corporate, or firm proposing to submit a Tender for the Contract;

4.3 any person or organisation connected or associated with a Bidder, person, company, body corporate, or firm of a kind referred to in Clauses 4.1 or 4.2.

5. PROVISION OF INFORMATION

Except as stated herein, neither the Tenderer, nor any of its employees or agents, has provided or will provide information to:

5.1 any other Bidder who has submitted or will submit a Tender for the Contract;

5.2 any other person, company, body corporate, or firm proposing to submit a Tender for the Contract; or

5.3 any other person, company, body corporate, or firm for the purpose of assisting in the preparation of a tender for the Contract.

EXCEPTIONS: .....

.....

**4.10 COLLUSIVE TENDERING - STATUTORY DECLARATION (CONT'D)**

(Page 2 of 2)

**6. GENUINE COMPETITION**

The Tenderer is genuinely competing for the Contract.

**7. INDUSTRY ASSOCIATION AGREEMENTS**

Neither the Tenderer, nor any of its employees or agents, has entered into any contract, agreement, arrangement or understanding, other than as disclosed to the Council in the Tenderer's Tender, that the successful Bidder for the Contract will pay any money to, or provide any other benefit or other financial advantage to, an Industry Association in respect of the Contract.

**8. UNSUCCESSFUL TENDERERS' FEES**

Neither the Tenderer, nor any of its employees or agents, has entered into any contract, agreement, arrangement or understanding that the successful Bidder for the Contract will pay any money to, or provide any other benefit or other financial advantage to, any other Bidder who unsuccessfully tendered for the Contract.

**9. QUALIFICATIONS TO TENDERS**

Neither the Tenderer, nor any of its employees or agents, has entered into any contract, agreement, arrangement or understanding that Bidders for the Contract would include an identical or similar condition or qualification in their Tenders for the Contract if any such condition or qualification is included in the Tenderer's Tender.

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the *Oaths Act, 1900*.

Declared at .....)  
in the State of .....)  
this ..... day of .....)

.....  
*(Signature of person making the declaration)*

before me: .....)

Signature:  
.....

Full Name:  
.....

Address:  
.....  
.....

Qualification:  
*(Insert details of basis on which entitled to witness a Statutory Declaration)*

.....

**Report No. 3.1**                    **Transactional Banking Services Contract**  
**Directorate:**                Corporate and Community Services  
**Report Author:**            James Brickley, Manager Finance  
**File No:**                      I2018/2299  
5    **Theme:**                      Corporate Management  
   Financial Services

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10    **Purpose:**

To advise the Executive Team as to the current status of the Transactional Banking Services Contract.

15    **Information/Background:**

Byron Shire Council currently uses the Commonwealth Bank for transactional banking services. Facilities currently provided by the Commonwealth Bank include to Council include:

- 20            • Payment gateways for ratepayers via BPay and BPoint.  
                 • Direct debits for ratepayers  
                 • Branch availability for deposits of cash and cheques received.  
                 • Transactional Bank accounts for the main Council account and for remote sites ie  
                 Cavanbah Centre, Holiday Parks etc.  
25            • Provision of an at call account paying higher interest.  
                 • Software to manage accounts, process direct debits, EFT, account transfers and payroll.  
                 • Merchant facilities at the Mullumbimby Admin Office and remote sites where money is  
                 collected.  
30            • Corporate Credit Cards  
                 • Purchase Cards

It does not cover the Pay Parking scheme except deposit of meter coins, as APARC mandated the use of Simplepay for payment gateway and Citibank for merchant facilities. It also does not cover the payment facility for ratepayers via Australia Post or Forms Express.

35            The current contract was entered into in 2013 after a joint tender with Clarence Valley Council, Ballina Shire Council, Kyogle Shire Council, Lismore City Council, Byron Shire Council and Tweed Shire Council and Rous County Council. Richmond Valley Council declined to participate.

40            The current contract expires on 31 December 2018 and currently the cost of bank fees for Council is approximately \$50,000 per annum after recovery of merchant fees for credit card payments and excluding costs payable to Australia Post for the agency service.

45            Section 55(1)(f) of the Local Government Act 1993 provides Councils with an exemption from the requirements to tender for banking, investment and borrowing services. Whilst the exemption provides the ability to keep rolling with the existing Bank, Council should test the market to determine whether it is getting value for money and whether there is a better offer.

50            With the current contract coming to a close, Clarence Valley Council has again agreed to run a procurement process on behalf of the Northern Rivers Councils but this will not be able to occur until the new year. In the interim the Commonwealth Bank has offered continuation of the existing transactional banking contract for the period 1 January 2019 to 30 June 2019 with existing pricing. This will allow time for a procurement process to be undertaken and if there is a requirement to change banking providers pending the procurement outcome, time to make the change.

55

As an alternative, Council could undertake its own procurement process, however that would risk losing the pricing advantage currently enjoyed by all Councils tendering collectively for the same contract given aspects of the pricing are driven by transaction volumes.

- 5 It is therefore recommended that the current contract with the Commonwealth Bank be extended to 30 June 2019 while Council participates in the procurement process to be undertaken by Clarence Valley Council on behalf of the Northern Rivers Councils.

**Consultation:**

- 10 Currently limited to the Executive Team but will require further consultation depending upon the outcome of the procurement process. If Council does change banking providers, there will be significant work required to transition to a new provider with system setup, system testing, communication of new account details to government departments and suppliers where necessary, merchant facilities, corporate credit and purchase cards etc.
- 15

**Communicate to:**

- 20 Manager Finance  
Financial Operations Accountant

25

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**RECOMMENDATION:**

1. That the Executive Team endorses extension of the existing contract for Transactional Banking Services with the Commonwealth Bank from 1 January 2019 to 30 June 2019.
2. That the Executive Team endorses participation in a procurement process with other North Coast Councils for the provision of Transactional Banking Services for a five year period commencing on 1 July 2019.

**Meeting notes of the Executive Team Meeting held on Wednesday, 5 December 2018**

**Meeting No:** 45-2018

**File No:** I2018/2313

**PRESENT:** Mark Arnold, Vanessa Adams, Shannon Burt, Phil Holloway, Shannon McKelvey

**MINUTE TAKER:** Toni Graham

**APOLOGIES:** There were no apologies.

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**REPORTS - GENERAL MANAGER**

**Report No. 2.1** Lease of 15m<sup>2</sup> of community land for the purpose of a garden food court

**File No:** I2018/2308

**RESOLVED:**

Executive Team referred report to DIS for further investigation and requested Leasing and Licensing Coordinator to advise the proponent that the request has been received and is being investigated with a response in the new year.

**Responsible:** DIS & Leasing and Licensing Coordinator

**Due Date:** New Year 2019

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**REPORTS - CORPORATE AND COMMUNITY SERVICES**

**Report No. 3.1** Transactional Banking Services Contract

**File No:** I2018/2299

**RESOLVED:**

1. Executive Team endorsed extension of the existing contract for Transactional Banking Services with the Commonwealth Bank from 1 January 2019 to 30 June 2019.
2. Executive Team endorsed participation in a procurement process with other North Coast Councils for the provision of Transactional Banking Services for a five year period commencing on 1 July 2019.

**Responsible:** DCCS