

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2154

Title: Tender for Treasury Advisor for the Group Investment Syndicate

Executive Summary:

The Treasury Advisory Service for the Group Investment Syndicate expires at the end of March 2018. This DD seeks authority to incur expenditure on the services from April 2018.

Decision:

That the Executive Director of Resources approves expenditure of up to £150,000 on Treasury Advisory Services for the GLA's Group Investment Syndicate for a period of up to 5 years commencing on 1 April 2018.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Martin Clarke

Position: Executive Director of Resources

Signature:

Date:


TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

The existing contract for Treasury Advisory Services for the Group Investment Syndicate (GIS) expires at the end of March 2018. There is a need to competitively tender this contract as it is estimated that the value of contract over 3 years, plus option to renew for 2 years, could be up to £150,000.

The two essential elements required of the Treasury Advisory Service are provision of:

- financial information concerning counter-party creditworthiness and other relevant financial information for the discharge of the GLA's treasury function; and
- advice to the GIS collectively, and GIS syndics individually, as an independent check on the GLA's treasury function.

2. Objectives and expected outcomes

Competitively tendering this contract will allow the GLA to test the market for the provision of this service and enable the continuation of these services from 1 April 2018 onwards for 3 years, with an option to extend for a further two years.

3. Equality comments

The Treasury Advisory Service is a key element in providing an efficient treasury service which in turn underpins the Authority's finances and its ability to promote the Mayor's policies on diversity and social inclusion. In awarding the contract the Executive Director of Resources will have particular regard to his Public Sector Equality Duty.

4. Other considerations

At present with the expansion of the GIS to London Boroughs, the Syndicate has inherited two treasury advisors. The tendering of this contract will lead to the appointment of one advisor for all GIS members.

5. Financial comments

The Group Finance budget includes provision to cover the costs of the Treasury Advisory service.

6. Legal comments

- 6.1 Under section 127 of the Greater London Authority Act 1999 the GLA has a duty to make arrangements for the proper administration of its financial affairs. Responsibility for the administration of those affairs lies with the Executive Director of Resources as the statutory chief financial officer of the Authority under section 127(2)(b) of the Act. The management of the authority's treasury function and the development and monitoring of the Treasury strategy fall within this responsibility of the chief financial officer. The GIS operates as a professional technical and administrative function delegated to the GLA under section 401A of the GLA Act 1999, whose members are covered by that provision. The proposed procurement of services may be considered facilitative of the discharge of those duties and functions.

- 6.2 In taking the decisions requested, the Director must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Director should have particular regard to section 4 (above) of this report.
- 6.3 Officers must ensure that the services required are procured in accordance with the GLA's Contracts and Funding Code, by TfL Commercial who will determine the procurement strategy and that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.

7. Planned delivery approach and next steps

Activity	Timeline
Expressions of interest invited for competing for the contract	September 2017
Tender documentation issued to those expressing an interest and returned	October 2017
Award of contract	November / December 2017
Finalisation of contract	Jan / Feb 2018
Delivery Start	April 2018

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason:

Publication of estimated budget details for the Treasury Advisory Service prior to completion of the procurement exercise may impede genuine competition and the GLA's ability to secure value for money.

Until what date: 1 January 2018.

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

David Gallie has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

David Gallie has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 21 August 2017

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date

22.08.17

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE