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| **Agenda item:** | **14** |
| **Attachment:** | **H** |

**HRA BOARD COVER SHEET**

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| **Date of Meeting:** | 18 November 2015 Board meeting  |

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| **Title of Paper:** | Changes to Bank Account Arrangements |
| **Purpose of Paper:** | To update the Board on the changes that are taking place with the HRA bank account arrangements |
| **Reason for Submission:** | To ensure the EMT and the Board, are aware of the changes that are taking place to the bank account arrangements |
| **Lead Reviewer:** | Debbie Corrigan, Director of Finance, Procurement & Estates |
| **Details:** | This paper presents the changes to the bank account arrangements for the HRAMain points to note:* The Government Banking Service undertook a procurement exercise the latter part of last year and early part of this year to review the existing banking arrangements for government bodies.
* The contract was awarded to the Royal Bank of Scotland (RBS) under the Nat West Branding. The new contract moves away from the current model of using 2 banks for differing functions to a 1 bank model.
* GBS are leading on the migration from the existing model to the new model and HRA are on track to migrate when GBS advise of the implementation date.
* The current proposed date for migration is 7th December 2015, but this is to be confirmed.
* The initial contract entered by GBS is for 7 years.
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| **Suitable for wider circulation?** | **Yes, following Board** |
| **Time required for item:** | **5 minutes** |

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| **Recommendation / Proposed Actions:** | **To Approve** |  |
| **To Note** | **Yes** |
| **For discussion** |  |
| **Comments** |  |

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| **Name:** | Collette Rowe |
| **Job Title:** | Senior Finance Manager (Financial Services) |
| **Date:** | 18 November 2015 |

**Changes to the Health Research Authority Bank Account arrangements**

1. **Introduction**

This report outlines the changes that will be taking place to the HRA’s bank account arrangements, as a result of the Government Banking Service (GBS) changing the banking model.

1. **Background**

The HRA currently uses the GBS for their banking. The current banking model uses the services provided by 2 banks, Citibank and Nat West.

GBS undertook a cross government procurement exercise for the banking services and announced in March 2015, that a new provider had been selected, based on a 1 bank account model, which will result in reduced costs and more flexibility.

The new contract was awarded to the Royal Bank of Scotland, which will sit under the Nat West brand, for a period of 7 years.

1. **Migration to new bank provider**

GBS is leading on the migration and project plans for ensuring that each organisation is migrated successfully onto the new bank accounts. In addition, SBS have sent out regular communications to clients advising them of actions to be taken.

The HRA has completed all the paperwork received from GBS relating to the migration, including new bank mandates and is on track to migrate successfully once GBS confirm the implementation date. GBS are indicating that the current migration date for moving to the new model will be the 7th December, although this is still to be confirmed.

Upon migration, the HRA will move to having one bank account with RBS, retaining the same bank account number as currently held for the Nat West account. The existing Citi account will remain open for a period of time, until all areas of banking transactions have been successfully migrated, for example the transfer of standing orders and direct debits, which are currently paid via Citi bank.

Once all areas have been successfully migrated, GBS will advise of the date for the closure of the Citi bank account.

1. **Potential risks**

The HRA will be requested to complete a readiness questionnaire prior to going live with the new bank account. There are no major risks identified as a result of the migration.

1. **Recommendations**

That EMT and the Board are asked to note the change in the bank account model which is being led by the Government Banking Service.

**Collette Rowe**

**Senior Finance Manager (Financial Services)**

**10 November 2015**