## Executive Summary

1.1 The Cabinet is asked to agree the procurement of Event Production Services for the London Borough of Newham Events in 2020 – 2023.

## Recommendations

2.1 For the reasons set out in the report and its appendices, Cabinet is recommended to agree:

2.1.1 To the commencement of an OJEU Open procurement procedure for the Event Production Services, with expected contract start date of 01/01/2020 for a period of three years with the option to extend up to one year.

2.2 The Cabinet is asked to note:

2.2.1 That the Event Production Services procurement scope to include;
• Production Management
• Audio Visual Equipment Hire
• Marquees
• Outdoor Toilet Facilities
• Roadway & Pedestrian Footway
• Staging
• PA & Backline
• Lighting & Rigging
• Barriers & Fencing
• Tower Lighting
• Plant Equipment
• Temporary Portable Accommodation
• Outdoor LED Screens
• Generators
• Manual Labour & Technical Site Crew
• Furniture

2.2.2 That the above list is not exhaustive. The Event Production Services procurement scope will also include a variety of other items of lower value, such as water coolers, diesel fuel, hardware items and various consumables.

3 Background

3.1 Currently these services are being outsourced. Newham Council does not own the equipment; neither does it employ the staff with the required expertise to provide these services.

3.2 All of the current event production related contracts have either already expired or are due to expire soon.

3.3 In order to ensure the delivery of successful and safe Council events in 2019 and to also allow sufficient time for the proposed procurement to be completed, the Events Team in conjunction with the Strategic Procurement Unit are in the process of tendering out and awarding nine separate contracts for nine lots/strands of event production (Production Management, Audio Visual Equipment Hire, Marquees, Outdoor Toilet Facilities, Roadway & Pedestrian Footway, Staging, PA & Backline, Lighting & Rigging, Barriers & Fencing). Please note that these are entirely separate processes and not part of this report recommendation. All of these contracts will expire by 31/01/2020.

4 Key Considerations & Proposals

4.1 It is proposed that for 2020 and subsequent years a better approach would be to offer just one Event Management Services contract which will encompass the provision of all of the aforementioned lots of event production services in
paragraph 4.2, and also some additional ones of lower values (e.g. Tower Lighting, Plant Equipment, Temporary Portable Accommodation, Outdoor LED Screens, Generators, Manual Labour & Technical Site Crew, Furniture, etc.). By merging multiple services and awarding a contract such as the proposed one, the benefit to the Council will be greater negotiation power and better contract management. Other local authorities use this practice and the Events Team have discussed this option with the Strategic Procurement Unit.

4.2 The service sought is that of a single Event Production Company which will work closely with the Council’s events team to deliver all areas of production for our annual corporate events programme which includes three major outdoor events (Newham Show, Under the Stars and Fireworks Night), a variety of medium/small scale events and conferences (e.g. Holocaust Memorial Day, Remembrance events, Full Council meetings) and also any ad hoc events as and when required.

4.3 Please note that the annual corporate events programme is currently under review. Therefore it is not possible to provide a clear timetable of scheduled events for the next four years. Even if the annual corporate events programme changes, there will still be a budget available for new events with similar specifications, requiring the same type of services. This will be set out clearly in the tender documentation.

4.4 The evaluation methodology will be based on two ‘mock’ event specifications, one for the category of Small-Medium Event Production and one for the category of Large Event Production. These two example events will be based on the kind of small/medium indoor and large scale outdoor community London Borough of Newham events that take place annually. For the purposes of the ‘Invitation to Tender’ (ITT) exercise, suppliers will be invited to respond to the specification with production, event management and budgetary responses, as appropriate to the events described.

4.5 The successful supplier will be expected to source and manage all event infrastructure by working with specialist 3rd parties. They will also procure services and commission jobs as appropriate within the given budget for the events’ production. The successful supplier will have to oversee the delivery of these services; review performance and contract manage all the 3rd party technical event suppliers, as well as managing their payments on behalf of the Council.

4.6 Here is a short list of the main deliverables/responsibilities the successful supplier will be expected to undertake:

4.6.1 Drawing up event management plans & site plans.
4.6.2 Deployment of personnel & subcontractors.
4.6.3 Hiring in AV or other event equipment & infrastructure required.
4.6.4 Health & Safety planning and management (e.g. carrying out risk assessments, enforcing H&S measures, monitoring all relevant processes).
4.6.5 Traffic management.
4.6.6 Managing event production budgets.
4.6.7 Regular communication & consultation with the events team on key decision making and crisis control.

4.6.8 Provision of post event reports/logs.

4.7 It is proposed that this contract will operate for three (3) years with an option to extend for a further one (1) year, unless terminated earlier in accordance with the provisions of the contract.

4.8 The funding for the proposed contract will be met from the Events Team’s annual revenue budget allocation.

4.9 It is proposed that the procurement route to the market to be undertaken should be an Open EU Tender (having gone through the Checkpoint process and obtained Cabinet approval to commence a procurement exercise).

4.10 This procurement is necessary because the recruitment of an Event Production company is essential for the smooth operation and delivery of our events. This is a vital business need.

4.11 If a contract is awarded following a tender, the ability to terminate will be included should there be any issues with the quality of the services provided.

4.12 The contract would be overseen by the events team and KPI’s would be recorded on a regular basis, which if are consistently failed would allow the contract to be terminated.

4.13 The quality of the service provision will be evaluated and measured during the planning and also the delivery of the events, as well as at the debrief meetings taking place after the completion of each event.

4.14 The tender specification will clearly state that the Council does not guarantee a minimum or maximum level of business and reserves the right to reduce the programme of events, change and/or cancel any of the events, as well as the right to change infrastructure and/or staffing requirements as required.

5 Policy Implications & Corporate Priorities

5.1 The proposed procurement is vital in delivering the Council’s strategic outcomes and aspirations of putting residents at the heart of everything we do by building a strong, active and cohesive community, through attendance, participation and active involvement in Newham’s successful annual corporate events programme, such as the Newham Show, Under the Stars and Fireworks Night.

5.2 This procurement is applicable to the following two priorities from Newham’s Corporate Plan:

5.2.1 Priority 3: Community Wealth Building. Newham’s annual corporate events programme will support local businesses, nurture talent and provide opportunities for all.

5.2.2 Priority 4: An environment for all. Newham’s annual corporate events programme will encourage active lifestyles, social integration and civic responsibility by increasing the number of residents-led activities.

5.3 The events team will monitor and assess progress in delivering the above priorities. The key measures will be:
5.3.1 Attendance numbers at events.
5.3.2 Numbers of local residents and local businesses participating and/or engaging in activities at Newham events.
5.3.3 Resident satisfaction/feedback.

6 Alternatives considered
6.1 Due to the nature of these specialised services, there are no alternative options for delivering these kinds of services other than to source a professional organisation with the necessary skills, technical knowledge and expertise.
6.2 There is no in-house infrastructure or human resources with the technical expertise and knowledge required to be able to deliver services of this nature.
6.3 Following advice from the Strategic Procurement Unit over the past two years we have tried other procurement options such as setting up a London wide DPS (Dynamic Purchasing System) and calling off from existing ESPO frameworks. Unfortunately neither of these options proved successful.

7 Consultation
7.1 Name of Lead Member consulted: Rokhsana Fiaz OBE
   Position: Mayor of Newham
   Date: 18/04/2019
7.2 Name of Lead Member consulted: Cllr Terence Paul
   Position: Cabinet Member, Finance and Corporate Services
   Date: 09/04/2019
7.3 Name of Director consulted: Althea Loderick
   Position: Chief Executive and Head of Paid Service
   Date: 17/04/2019

8 Implications
8.1 Financial Implications
8.1.1 This report seeks approval for the procurement of the provision and management of the Event Production Services.
8.1.2 Details of the proposed annual contract value and total contract value across the 4 years are set out in Appendix 1.
8.1.3 The service is predominantly funded from the Communications budget, however, other service areas from across the Council will be able to use these type of services and will fund any additional spend from existing budgets.
8.1.4 In previous years the costs were via a range of different suppliers for the provision of a variety of event services although this proposed approach would be for just one Event Management Services contract which will encompass the provision of all event production services.
8.1.5 The benefit of using a single supplier will enable more effective negotiation on price and improved contract management resulting in efficiencies within the Events Team. Any efficiencies identified from the procurement, will help the service to support future years pressures and required savings.

8.1.6 Due to the nature of the specialist services provided the option to deliver in-house does not exist as there is insufficient infrastructure and technical expertise to carry out the service requirements.

8.1.7 Future years’ budgets are subject to review given the substantial reductions in Local Authority Funding over the next three years. Any commitments against future years’ budgets may pre-empt funding decisions that may be required in the context of savings elsewhere in the budget.

8.2 Legal Implications

8.2.1 The Council has power to procure this contract under S1 of the Localism Act 2011.

8.2.2 The value of the proposed procurement is well above the threshold for services contracts. Compliance with Part 2 of the Public Contracts Regulations 2015 is therefore required. A Contract Notice or Prior Information Notice (PIN) used as a call for competition, will need to be published via the Official Journal of the European Union (OJEU).

8.2.3 The procurement process that officers intend to follow has already been set out in the body of this report and appears to be a fully compliant procedure.

8.2.4 The Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions which includes the proposed procurement. While conducting the procurement and evaluating the bids, officers must satisfy themselves that the procurement process is in accordance with this principle.

8.2.5 Due to the total value of this contract, the decision to award the contract will need to be made at Cabinet as well. The decision will also be subject to Part 4 Overview and Scrutiny Procedure Rules and the Council's call-in procedure.

8.3 Equalities Implications

8.3.1 The actions coming out of this report are unlikely to be affected by the Human Rights Act 1998.

8.4 Procurement Implications

8.4.1 The Strategic Procurement Unit has been working closely with the Service and supports the approach proposed.

8.4.2 Under section 5 above, the report explains how the procurement supports the Priorities as set out within the Council’s Corporate Plan.

8.4.3 The Service will be required to achieve savings from this procurement process. As required and set out within the Council Budgetary
Framework 2019/20, Appendix B ‘Procurement Savings’ as agreed at Cabinet meeting 5th Feb 2019.

8.4.4 The procurement process will be required to be undertaken using the Council’s e-tendering system capitalEsourcing.

8.4.5 In addition to a Contract Notice required to be published in the Official Journal of European Union (OJEU) advertising the Open procedure procurement, a subsequent notice is required to be published in Contracts Finder advertising the opportunity.

8.4.6 The procurement has been reviewed by the Checkpoint Gateway panel as required within the Council’s Contract Standing Orders Rule 9.1.1 which states the gateway procedure should be undertaken to conduct a review of an intended procurement for Services and Supplies over EU supplies and services public procurement thresholds prior to seeking authority from the Mayor (and/or Cabinet) or under Chief Officer delegated powers to invite tenders. The Checkpoint Gateway Panel made the following recommendations and supported this procurement allocating a Green rag status:

   a. wider consultation to be undertaken to understand what council other teams/organisations in the borough can use this contract going forward for their events e.g. schools, colleges, sixth forms, universities, council Directorate teams, Mayor Priority programmes

   b. that the contract offers maximum community wealth building and social value

   c. that a specific weighting be allocated for social value and community benefits related questions in the Invitation to tender documents, evaluation and award criteria

8.4.7 The Strategic Procurement Unit will continue to work with the service to conclude the procurement process in accordance with the Council’s Contract Standing Orders and Public Contracts Regulations 2015 should the recommendation to commence a tender process within this report be agreed.

8.5 Other Implications relevant to this report

8.5.1 The suitability of this contract for local suppliers might not be great, however the successful contractor will be encouraged and shall agree to prioritise offering sub-contracting opportunities to local providers, whenever possible and available.

8.5.2 The successful contractor will be required to support the Mayor’s Community Wealth Building Agenda by working in partnership with Workplace (LBN’s job brokerage) to provide details of job opportunities for local residents and supply chain opportunities for local businesses. They will also be required to identify apprenticeships and training/education opportunities for local residents. These requirements will be written into the contract and the contractor will be required to report on progress against each of these areas on a quarterly basis.

8.5.3 Under this contract the supplier and all subcontractors will be expected
to pay London Living Wage as that is a Mayoral Priority.

8.5.4 Crime and Disorder implications are an operational risk area for large scale events. However risks will be mitigated and reduced by a well managed, well organised and resourced security operation. Appropriate risk assessments and operational plans should be developed in advance of the events and key partners including the MPS should be engaged as part of the planning phase where necessary and where potential risk and perceived impact exits.

8.5.5 There are no other expected implications relevant to this report.

9 Background Information used in the preparation of this report


9.2 There was no other background information used in preparation of this report.

IF REQUIRED (Only where items were not included on the forward plan):

Reason for Urgency