1 Executive Summary

1.1 The purpose of the report is to seek authority to award two contracts for the provision and management of Event Production Services for the London Borough of Newham Events in 2020-2023, commencing on Monday 23 March 2020.

2 Recommendations

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

   2.1.1 the award of a three year contract with an option to extend for a further year to Proteus Productions Events Ltd. for Large Scale Outdoor Events, with an estimated full life cost of £1,746,000.00; and
2.1.2 the award of a three year contract with an option to extend for a further year to Centre Stage (UK) Ltd. for Small to Medium Scale Events, with an estimated full life cost of £332,000.00

3 Background

3.1 At the Cabinet meeting held on Tuesday 7 May 2019, a pre-procurement request to go out to tender was approved. This procurement report has followed the Council’s procurement process. Checkpoint 1 had already been completed and was presented at Cabinet, as set out above, under the guidance of our Strategic Procurement Unit, where the report was cleared and agreed in order to seek authority to commence the procurement exercise.

3.2 An (OJEU) Open EU Tender was undertaken as the chosen procurement route to the market. Tenders were invited via capitalEsourcing and 38 firms accessed the portal.

3.3 The pricing evaluation methodology was based on two ‘mock’ event specifications, one for the category of Small-Medium Event Production and one for the category of Large Event Production. For the purposes of the ‘Invitation to Tender’ (ITT) exercise, suppliers were invited to respond to the specification with production, event management and budgetary responses, as appropriate to the events described. In addition, the suppliers were required to respond to qualitative questions to pass the technical evaluation.

3.4 Lot 1 Large Scale Outdoor Events

Five (5) suppliers submitted bids in response to the ITT for Lot 1 of this tender.

3.4.1 The table below provides each tenderer’s final technical, commercial and overall combined weighted scores for Lot 1 Large Scale Outdoor Events:

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Technical/Quality Score</th>
<th>Commercial/Price Score</th>
<th>Overall Combined Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidder A</td>
<td>Rejected</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Bidder B (Proteus Productions Events Ltd.)</td>
<td>74.50</td>
<td>100.00</td>
<td>92.35</td>
</tr>
<tr>
<td>Bidder C</td>
<td>Rejected</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Bidder D</td>
<td>62.25</td>
<td>73.86</td>
<td>70.38</td>
</tr>
<tr>
<td>Bidder E</td>
<td>Rejected</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

3.4.2 Bidder A, Bidder C and Bidder E were all eliminated from the evaluation process, as they failed to achieve the minimum qualitative threshold evaluation score of 5 ("satisfactory" standard) on one or more of the qualitative questions. However, the remaining two bidders achieved an average of either “generally good” or “strong” standard on their quality
question responses, demonstrating their experience and ability to provide these specialised services.

3.4.3 After applying the relevant weightings on both the quality and price scores, Bidder B (Proteus Productions Events Ltd.) is the bidder with the highest overall combined score in Lot 1.

3.4.4 As set out within the executive summary and recommendations, this report is seeking approval to award the Events Production Services contract for Lot 1 Large Scale Outdoor Events in 2020-2023 to Proteus Productions Events Ltd.

3.5 Lot 2 Small to Medium Scale Events

Four (4) suppliers submitted bids in response to the ITT for Lot 2 of this tender.

3.5.1 The table below provides each tenderer’s final technical, commercial and overall combined weighted scores for Lot 2 Small to Medium Scale Events:

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Technical/Quality Score</th>
<th>Commercial/Price Score</th>
<th>Overall Combined Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidder A (Centre Stage (UK) Ltd.)</td>
<td>68.00</td>
<td>100.00</td>
<td>90.40</td>
</tr>
<tr>
<td>Bidder B</td>
<td>52.00</td>
<td>17.70</td>
<td>27.99</td>
</tr>
<tr>
<td>Bidder C</td>
<td>70.00</td>
<td>28.48</td>
<td>40.94</td>
</tr>
<tr>
<td>Bidder D</td>
<td>55.00</td>
<td>45.85</td>
<td>48.59</td>
</tr>
</tbody>
</table>

3.5.2 None of those were eliminated from the evaluation process. All four bidders achieved an average of either “satisfactory”, “generally good” or “strong” standard on their quality question responses, demonstrating their experience and ability to provide these specialised services.

3.5.3 After applying the relevant weightings on both the quality and price scores, Bidder A (Centre Stage (UK) Ltd.) is the bidder with the highest overall combined score in Lot 2.

3.5.4 As set out within the executive summary and recommendations, this report is seeking approval to award the Events Production Services contract for Lot 2 Small to Medium Scale Events in 2020-2023 to Centre Stage (UK) Ltd.

3.6 Overall, it is deemed that a sufficient number of tenders was received for each Lot, the quality of bids was satisfactory and that there was effective competition.

3.7 The tender evaluation was based on establishing the Most Economically Advantageous Tender, based on the application of a 30% quality and 70% price weighting split.

3.8 The quality evaluation method involved marking out of 10 fourteen (14) technical/quality questions for Lot 1 and six (6) for Lot 2. The marks were then
3.9 The price evaluation methodology was based on the lowest price received for each Lot.

3.10 The final overall score for each bidder was obtained by adding the final weighted quality score to the final weighted price score to give an overall combined quality and price score out of 100.

3.11 Due diligence has been carried out by the Events Team who are satisfied that the successful bidders are able to provide the services at the stated costs inserted in the model pricing document.

3.12 Based on costs over the life of previous smaller contracts, which will be merged under these two proposed contracts, it is estimated that the total value of the two proposed contracts is approximately £519,500 per annum. Therefore, the full life cost of the contracts, for three (3) years inclusive of the option to extend for a further one (1) year, is estimated to be £2,078,000.

3.13 The table below provides information on the split of the aforementioned estimated values between the two proposed contracts:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Estimated Value per annum</th>
<th>Estimate full life cost of the contract (3 years + 1 year extension)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot 1 Large Scale Outdoor Events</td>
<td>£436,500.00</td>
<td>£1,746,000.00</td>
</tr>
<tr>
<td>Lot 2 Small to Medium Scale Events</td>
<td>£83,000.00</td>
<td>£332,000.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>£519,500.00</td>
<td>£2,078,000.00</td>
</tr>
</tbody>
</table>

3.14 Please note that these are not fixed costs and will be dependent on the delivery of the requested services. These contracts were put out to tender on an anticipated programme of work. This is not guaranteed and the actual requirement will be planned with the contractors at the beginning of each financial year, after the annual budget is set.

3.15 Checkpoint 2 has been completed. The panel have given the report a ‘green’ RAG status to proceed. The process is now complete and ready for award of contract subject to approval of this report recommendation.

4 Key Considerations & Proposals

4.1 It is proposed to offer one contract for each Lot, which will encompass the provision of all event production services. By merging multiple services and awarding a contract such as the proposed ones, the expected benefit to the Council will be greater negotiation power and better contract management.

4.2 The service sought was that of a single Event Production Company for each Lot which will work closely with the Council’s events team to deliver all areas of production for our annual corporate events programme which might include major scale outdoor events, a variety of medium/small scale events and conferences, 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 revised budget available for new events with similar specifications, requiring the same type of services. This will be set out clearly in the contract documentation.

4.4 It is proposed that both of these contracts 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.

4.5 The funding for the proposed contracts will be met predominantly from the Events Team's annual revenue budget allocation. However, other service areas from across the Council will be able to use these services and will fund any additional spend from their existing budgets.

4.6 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.

4.7 If contracts are awarded, the ability to terminate will be included should there be any issues with the quality of the services provided.

4.8 The contracts will be overseen by the events team and KPIs will be monitored on a regular basis, which if are consistently failed would result in the contracts being terminated.

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

4.10 The contract documentation 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 Delivering Council Policy and Corporate Priorities

5.1 The proposed contracts are 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 annual corporate events programme.

5.2 These contracts will support 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 resident-led activities.
5.3 More specifically these contracts are linked and will support the following two policy areas:

5.3.1. **Social Integration**: Newham’s annual corporate events programme should and will contribute towards the creation of socially integrated communities by bringing together people of different social backgrounds, generations, faiths, and ethnicities. It will also encourage them to interact, build meaningful relationships and be part of their local and wider Newham community.

5.3.2. **Community Wealth Building**:

5.3.2.1. Weighted Quality Questions were included in each Lot encouraging suppliers to provide social value and community benefits to Newham, and to support the Mayor’s Community Wealth Building agenda. The bidders were evaluated on their responses. Specific sub-criteria weightings were allocated for the Quality Questions that related to social value and community benefits. Out of fourteen Quality Questions, one related to social value and community benefits in Lot 1 (this was weighted with 5%). Out of six Quality Questions in Lot 2, two related to social value and community benefits (these questions were weighted with 5% as well). In addition, as part of the evaluation criteria against which the ITT responses were assessed, a minimum quality requirement was applied. For bidders, regardless of their price, to be considered for award of these contracts they had to achieve a qualitative evaluation score of no less than 5 out of 10 on each qualitative question.

5.3.2.2. Through their responses to this tender, the proposed suppliers have demonstrated that they are committed to placing their job and apprenticeship opportunities with LBN’s job brokerage (currently Workplace), creating apprenticeship opportunities, promoting supply chain opportunities to local suppliers and to paying the London Living Wage.

5.4 The events team will monitor and assess progress in supporting the above priorities and policy areas. The key measures will be:

5.4.1. Attendance numbers at events.
5.4.2. Resident satisfaction/feedback.
5.4.3. Number and percentage of local businesses participating and/or engaging in activities at Newham events.
5.4.4. Number and percentage of local residents employed in jobs.
5.4.5. Number, percentage and value of supply chain opportunities awarded to Newham businesses via these contracts.
5.4.6. Numbers of apprentices employed.
5.4.7. Evidence that London Living wage is being paid to all employees.
5.4.8. Evidence that job and apprenticeship opportunities have been placed with Newham’s job brokerage (currently Workplace).
5.4.9. Evidence that supply chain opportunities have been promoted to local suppliers.
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.

7 Consultation
7.1 Name of Lead Member consulted: Councillor Charlene McLean
   Position: Deputy Mayor (Community) and Cabinet Member Community Neighbourhoods
   Date: 07/02/2020
7.2 Name of Lead Member consulted: Councillor Terence Paul
   Position: Cabinet Member, Finance and Corporate Services
   Date: 07/02/2020
7.3 Name of Director consulted: Jessica Crowe
   Position: Corporate Director of People, Policy & Performance
   Date: 07/02/2020

8 Implications
8.1 Financial Implications
8.1.1 This report seeks approval for the award of two contracts for the provision and management of the Event Production Services.
8.1.2 Based on costs over the life of previous smaller contracts, which will be merged under these two proposed contracts, it is estimated that the total value of the two proposed contracts is approximately £519,500 per annum. Therefore, the full life cost of the contracts, for three (3) years inclusive of the option to extend for a further one (1) year, is estimated to be £2,078,000.
8.1.3 The service is predominantly funded from the Communications: Events Team general fund 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 narrow this down to two Event Management Services contracts which will encompass the provision of all event production services.
8.1.5 The benefits of this 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.

8.2 Legal Implications

8.2.1. The Council has a “general power of competence” under Part 1 Chapter 1 of the Localism Act 2011 which gives it the same power to act as that of an individual, subject to other statutory provisions limiting or restricting its use. The recommendations in this report are compatible with the above statutory powers.

8.2.2. The procurement process followed by the Council has already been set out in the body of this report and appears to be a fully compliant procedure.

8.2.3. This is no minimum guarantee attributed to this Contract. However, the Council anticipates the value of the two contracts to be £2,078,000.

8.2.4. The Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions. Officers must have satisfied themselves that the bids submitted by Proteus Productions Events Ltd and Centre Stage (UK) Ltd, represented the most economically advantageous tenders for the Council overall.

8.2.5. As the value of each contract exceeds £150,000, each contract must be executed as a deed by the affixing of the Council’s seal.

8.3 Equalities Implications

8.3.1. Under section 149 of the Equality Act 2010, the Council has a duty when exercising its functions to have ‘due regard’ to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the Public Sector Equality Duty. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.3.2. ‘Due regard’ is the regard that is appropriate in all the circumstances. The weight to be attached to each need is a matter for the Council. As long as the Council is properly aware of the effects and has taken them into account, the duty is discharged.

8.3.3. This proposal is relevant to the London Borough of Newham in meeting its public sector equality duty. The appointed supplier is likely to be interacting with residents on behalf of the council and engaging with employees. The council cannot discharge its equality duties to the supplier and will need to ensure no discernible disadvantages on any protected characteristics will be incurred through the imposition of this decision. This will be achieved by contract monitoring for their adherence to the council’s equality policies.
8.4 **Other Implications relevant to this report:**

8.4.1. The commitments secured via these contracts support the Borough’s Community Wealth Building Agenda.

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

9 **Background Information used in the preparation of this report**

9.1 Invitation To Tender (OJEU Reference 2019/S 201-488794) for the Supply of Event Production Services for the London Borough of Newham Events in 2020-2023.


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