

Transport and Environment Committee

10.00 Tuesday 17 March 2015

Update on Award of Contract for Use of The Meadows for Edinburgh Festival Period 2015

Item number	7.13
Report number	
Executive/routine	
Wards	Meadows/Morningside

Executive summary

On 28 August 2014, the Transport and Environment Committee requested that a report be brought back to the Committee regarding the outcomes of the tendering process regarding the use of the Meadows for the Edinburgh Festival Period 2015.

This report details the results of the tender process and award of the contract to Underbelly Limited.

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Update on Award of Contract for Use of The Meadows for Edinburgh Festival Period 2015

Recommendations

- 1.1 It is recommended that Committee notes the contents of this report and the award of the Use of the Meadows for the Edinburgh Festival Period 2015 (with an option to extend for the Edinburgh Festival Period 2016) to Underbelly Limited.

Background

- 2.1 A report detailing a public consultation, findings and subsequent review of the Parks and Greenspace Edinburgh Parks Events Manifesto was presented to, and approved by, the Transport and Environment Committee on 28 August 2014.
- 2.2 The findings of the public consultation suggested that there were concerns that the charges levied for the use of sites by the Council were not at a commercial level and were too low. It was agreed to tender competitively the use of the Meadows during the period of the Edinburgh Fringe Festival. This competitive process allows the Council to determine the commercial rental value of this space at this particular time of year. It is also intended to generate competition for the space and achieve added value for the city, such as cultural, community and environmental benefits.
- 2.3 In addition to the concerns regarding the market value of the site, the Council is experiencing an increasing demand for events in the city's parks. It is envisaged that if this pilot is successful, the approach will be rolled out to other popular sites.

Main report

- 3.1 The notice and advert were published on Public Contracts Scotland on 16 December 2014. The contract term was advertised as for one year (2015), with an option to extend for a further year.
- 3.2 The tender notice specified that applications should be for a large ticketed production which "is a cultural, concert or live performance based". The period

offered (in line with the Edinburgh Parks Events Manifesto) was limited to 23 days exclusive of set up and break down periods.

- 3.3 As part of this tender, the competitors were asked to specify their requirements for vehicles and tracking and, as in previous years, the suppliers will be requested to pay for all reinstatement costs incurred by the Council as a result of the event.
- 3.4 On 16 December 2014, a contract notice for an open procedure was published on the Public Contracts Scotland Portal, inviting expressions of interest from suitable bidders to deliver the project. The Council received three tender returns by the deadline of 15 January 2015.
- 3.5 To ensure that the contract was awarded to the provider offering best value, the bids were assessed based on the most economically advantageous tenders. The weightings used for the selection of the contractors were based on Quality 60%, Price 40%.
- 3.6 An evaluation panel made up of representatives from Parks and Greenspace, the local Neighbourhood office and Culture and Sport was convened and evaluated the submissions.
- 3.7 Tenders were independently scored in relation to quality and price.
- 3.8 A consensus meeting took place on 9 February 2015 to agree final quality scoring.
- 3.9 Following analysis of the tender returns it was deemed that the tenders were competitive and no abnormally low prices had been submitted.
- 3.10 The three bidders scores were as follows:

Company	Quality Score	Price Score	Combined Score
Underbelly Limited	45.00	39.72	84.72
Bidder 2	44.70	40.00	84.70
Bidder 3	45.60	37.18	82.78

- 3.11 The outcome of the tender evaluation is that Underbelly Limited submitted the most economically advantageous tender with £35,000 per annum and 6% gain share of any income generated over £250,000 per annum. This has been identified as the Preferred Bidder based on quality and price.

Measures of success

- 4.1 A commercial rental value is achieved for the site.
- 4.2 The chosen event delivers added value for the city such as cultural, community and environmental benefits.

Financial impact

- 5.1 The successful bidder has submitted a response for the lump sum fee of £35,000 per annum and a gain share percentage of 6% per annum for any income generated over £250,000 from the event proposed.
- 5.2 Procurement Process Costs associated with procuring this contract are estimated at up to £10,000.00.

Risk, policy, compliance and governance impact

- 6.1 The Council will continue to work closely with the winning bidder to ensure any associated risks (for example, with regards environmental or noise impact) continue to be mitigated.

Equalities impact

- 7.1 The tender process itself is subject to an Equalities Impact Assessment.
- 7.2 As part of the evaluation process, due regard was given to any potential equalities issues that might arise from the event.

Sustainability impact

- 8.1 The specification for this contract has been designed to minimise any adverse environmental impacts on The Meadows, including suitable arrangements for a reinstatement bond.

Consultation and engagement

- 9.1 The competitive tender process begins to address concerns raised through public consultation that charges levied for site use have not historically been levied at commercial levels.
- 9.2 Mandatory consultation with an Event Planning Operation Group has been specified as a requirement of the contract.

- 9.3 The winning bidder's engagement with local community groups and other relevant stakeholders will be encouraged and supported by the Council.
- 9.4 The Meadows event will be assessed as part of the Review of Large Events which will be published at the end of 2015. The tender process also specified that:

“At the end of the event the Council will require the successful concessionaire to meet with representatives to discuss its success and respond to the outcomes of any public consultation held. The Council may, at its discretion, ask the successful concessionaire to respond in writing to the outcome of any public consultation. If required, the successful concessionaire will work with the Council to agree areas of continuous improvement as part of the Council's decision to extend the contract for 2016.”

Background reading/external references

Edinburgh Parks Events Manifesto

http://www.edinburgh.gov.uk/download/downloads/id/4463/edinburgh_parks_events_manifesto_2014

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Links

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Appendix A

Summary of Tendering and Tender Evaluation Processes

Procurement of The Use of the Meadows for the Edinburgh Festival Period of 2015 with an option to extend for the Edinburgh Festival Period 2016

Contract period	August 2015 – September 2016
Estimated contract value range	£30,000 - £90,000
Standing Orders observed	2.4
Governing UK Regulation	Public Contracts (Scotland) regulations 2012
Invitations to tender issued	14
Tenders returned	3
Tenders fully compliant	3
Recommended suppliers	1
Primary criterion	Most economically advantageous tender 60% Quality 40% Price
Evaluation Team	Internal Evaluation Team