

Finance and Resources Committee

10.00am, Thursday, 27 August 2014

Specialist Marketing and PR for Assembly Rooms and Church Hill Theatre – Award of Contract

Item number	7.16
Report number	
Executive/routine	
Wards	All

Executive summary

This report seeks approval to award a Specialist Marketing and PR contract for the Assembly Rooms and Church Hill Theatre to 3x1 Public Relations for the contract sum of £108,000 over the full four-year contract term. The contract is for an initial two years (from 1 September 2015 to 31 August 2017) at a cost of £54,000 with an option to extend it for a further two years as one year extensions (2+1+1) at a cost of £27,000 per annum.

Links

Coalition pledges	P24 and P31
Council outcomes	CO8, CO20 and CO26
Single Outcome Agreement	SO1

Specialist Marketing and PR for Assembly Rooms and Church Hill Theatre – Award of Contract

Recommendations

- 1.1 Approve the award of a contract for Specialist Marketing and PR for the Assembly Rooms and Church Hill Theatre to 3x1 Public Relations for the contract sum of £108,000 over the full four-year contract term. The contract is for an initial two years (from 1 September 2015 to 31 August 2017) at a cost of £54,000 with an option to extend it for a further two years as one year extensions (2+1+1) at a cost of £27,000 per annum.

Background

- 2.1 The Assembly Rooms is a Grade A listed venue of major cultural, civic and historic significance in central Edinburgh. The Church Hill Theatre is a Grade B listed 356-seater theatre in Morningside. Both are managed by the Culture and Sport Service.
- 2.2 In July 2012 the Assembly Rooms re-opened after an extensive refurbishment project. As previously reported to the Culture and Sport Committee, the first three years of its operation have been successful. The business has met its initial income and strategic targets and established itself as a market leader, hosting a variety of events and conferences throughout the year, as well as festival performances during the summer and winter seasons in particular, and renting space to two high end retailers and a restaurant. The Church Hill Theatre is a receiving house and is popular with non-professional performance companies and a variety of other hirers.
- 2.3 The Assembly Rooms and Church Hill Theatre requires specialist marketing and PR resource to work with them over the next four years to develop and deliver a communications and marketing strategy to support their challenging business objectives.
- 2.4 Following the completion of an initial pre-qualification process, an Invitation to Tender was issued to three bidders on 9 June 2015 with the tender deadline of 26 June 2015. The tender review and evaluation period was concluded on 30 June 2015. 3x1 Public Relations has been identified as the preferred bidder with a tender bid for the amount of £108,000 over the full four-year contract term. The contract is for an initial two years (from 1 September 2015 to 31 August 2017) at

a cost of £54,000 with an option to extend it for a further two years as one year extensions (2+1+1) at a cost of £27,000 per annum.

Main report

- 3.1 The Assembly Rooms and Church Hill Theatre teams within the Culture and Sport Service require the appointment of specialist marketing and PR resource to develop and deliver a communications and marketing strategy to support their business objectives over the next four years.
- 3.2 Commercial and Procurement Services conducted the tender and evaluation process in accordance with Council Standing Orders, Public Procurement (Scotland) 2012 Regulations and EU Procurement Directives.
- 3.3 Commercial and Procurement Services, in conjunction with Culture and Sport and Communications, undertook a full tender exercise by placing a contract notice on the Public Contracts Scotland Portal and in the Official Journal of the European Union as a two stage procedure on 6 May 2015.
- 3.4 Thirty-three companies noted their interest in the contract notice and downloaded the Pre-Qualification Questionnaire (PQQ) documentation. Twelve companies submitted PQQs.
- 3.5 The aim of the PQQ evaluation process was to allow the Council to identify suitably qualified and experienced bidders to be invited to tender. The PQQ evaluation considered bidders' financial stability, technical capability, capacity and their compliance with certain mandatory criteria. As a result of the PQQ process five bidders were selected to be invited to tender.
- 3.6 The Invitation to Tender (ITT) stated that the contract would be awarded on the basis of the most economically advantageous tender with 60% of the overall score being given to quality and 40% given to price. The emphasis on quality in the ratio split was to encourage suitably qualified and experienced companies to tender for the opportunity to work with the Assembly Rooms and Church Hill Theatre to deliver a successful marketing strategy for the venues.
- 3.7 Tender documentation was issued on 9 June 2015 to the five bidders selected at the PQQ stage to tender. Three companies submitted tenders on 26 June 2015.
- 3.8 The three bidders were invited to attend a Bidders Presentation Day on 30 June 2015 to deliver presentations on their communications and marketing strategy for the contract to the evaluation panel and procurement lead as part of their quality submission.
- 3.9 On completion of the individual evaluation process the evaluation team members and the procurement lead from Commercial and Procurement Services held a consensus meeting. Individual evaluation criteria scores were reviewed and debated and a consensus score reached for each bidder. The

appropriate weighting was then applied to each of the individual evaluation criteria to arrive at a final quality score.

- 3.10 As all bidders achieved the minimum threshold score of 50% for quality, their pricing bids were opened and were subject to a cost analysis. All three tenders were compliant bids.
- 3.11 The quality scores were then combined with the scores from the cost analysis to derive an overall score for each bidder out of a maximum of 100. The results are detailed in the table below.

Bidder	Quality Score	Price Score	Total Score
3x1 Public Relations	48.00	39.12	87.12
Bidder 2	42.00	40.00	82.00
Bidder 3	36.00	28.04	64.04

- 3.12 The bidder with the highest overall score which represents the most economically advantageous tender is from 3x1 Public Relations which provided satisfactory responses to all elements of the award evaluation criteria and met all mandatory criteria for insurance levels, financial stability and business probity. Further details of the procurement process, including the members of the evaluation team and the three quality evaluation criteria and their respective weightings, are provided in appendix 1.
- 3.13 It is therefore recommended that the contract for the Marketing and PR Specialist for the Assembly Rooms and Church Hill Theatre be awarded to 3x1 Public Relations for the contract sum of £108,000 over the full four-year contract term. The contract is for an initial two years (from 1 September 2015 to 31 August 2017) at a cost of £54,000 with an option to extend it for a further two years as one year extensions (2+1+1) at a cost of £27,000 per annum.

Measures of success

- 4.1 The procurement of specialist marketing and PR resource to deliver a marketing strategy to support the delivery of business objectives for the Assembly Rooms and Church Hill Theatre.

Financial impact

- 5.1 The recommended contract value can be accommodated within the approved project budget, within the Culture and Sport revenue budget for 2015/16 to 2016/17. The approved total budget for the initial two-year contract is £54,000 for the provision of the marketing and PR services. Where additional services are required over and above those established in the tender documents, the

additional services will be reimbursed in accordance with all-in hourly rates, agreed as part of the tender submission in advance of the commencement of the contract. Allowance is included in the Culture and Sport revenue budget to 2018/19 inclusive should the option to extend the contract be required.

- 5.2 The costs associated with procuring this contract are estimated to be between £10,001 and £20,000.

Risk, policy, compliance and governance impact

- 6.1 There are no negative risk, policy, compliance or governance impacts arising from this report.

Equalities impact

- 7.1 There are no negative equality or human rights impacts arising from this report.

Sustainability impact

- 8.1 There are no sustainability impacts arising from this report.

Consultation and engagement

- 9.1 There is no public consultation impact arising from this report.

Background reading/external references

None.

Alastair D Maclean

Chief Operating Officer

Deputy Chief Executive

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Links

Coalition pledges	P24 - Maintain and embrace support for our world-famous festivals and events. P31 - Maintain our city's reputation as the cultural capital of the world
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by continuing to support and invest in our cultural infrastructure.

Council outcomes	CO8 – Edinburgh’s economy creates and sustains job opportunities CO20 – Culture, sport and major events – Edinburgh continues to be a leading cultural city where culture and sport play a central part in the lives and futures of citizens. CO26 – The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.
Single Outcome Agreement	SO1 - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all.
Appendices	1 – Summary of Tendering and Tender Evaluation Processes.

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	Specialist Marketing and PR for the Assembly Rooms and Church Hill Theatre
Contract period	Initial two-year contract (1 September 2015 to 31 August 2017) with the option to extend for a further two years as one year extensions (2+1+1).
Contract value	£108,000 over the lifetime of the four-year contract term (£54,000 for the initial two-year contract with the option to extend if for a further two years at a cost of £27,000 per annum).
Standing Orders observed	2.4 Requirement to advertise 5.1.b Selection of the most economically advantageous tender
Portal used to advertise	www.publiccontractsscotland.co.uk
EU Procedure chosen	Restricted
Invitations to tender issued	Five
Tenders returned	Three
Tenders fully compliant	Three
Recommended supplier	3x1 Public Relations
Primary criterion	Most Economically Advantageous Tender with 60% of the overall score being given to quality and 40% given to price
Evaluation criteria and weightings	Quality – 60% Cost – 40% <u>Quality Weightings</u> 1. Project delivery team – roles and responsibilities: 30% 2. Partnership working: 30% 3. Outline marketing and communication strategy: 40%
Evaluation Team	<u>Internal Evaluation Team:</u> Shona Clelland, General Manager (Assembly Rooms and Church Hill Theatre), Culture and Sport, Corporate Governance Lindsay Robertson, Arts and Events Manager, Culture and Sport, Corporate Governance Lesley McPherson, Chief Communications Officer, Corporate Governance