



Cabinet

5 MARCH 2012

**CABINET
MEMBER FOR
RESIDENTS
SERVICES**

*Councillor Greg
Smith*

**AWARD OF THE CONTRACT FOR
ADVERTISING AND SPONSORSHIP SERVICES**

**Wards:
All**

This report proposes that the Council awards the contract for advertising and sponsorship services from 20 March 2012 to 19 March 2015, with an option to extend for a further one year (to 19 March 2016).

A separate report on the exempt Cabinet agenda provides information on tenders received and recommends the contract is placed with the successful tenderer.

Recommendation:

CONTRIBUTORS

AD of Commercial
Services RSD and
AD for
Communications
EDFCG
ADLDS

That the report be noted.

**HAS THE REPORT
CONTENT BEEN
RISK ASSESSED?
N/A**

**HAS AN EIA BEEN
COMPLETED?
N/A**

1. BACKGROUND

- 1.1 The Council continues to explore its approach around commercialisation as part of the transformation agenda. In particular, how it can explore opportunities to maximise income from sponsorship of key assets, such as: open spaces, libraries and boundary signs. Ideas will be pursued for sponsorship and as these key assets are developed, further approval will be sought as required, including consultation on any planning issues.
- 1.2 A Cabinet Member's Decision was endorsed on 20 June 2011 approving the recommendation to undertake a competitive process to recruit market specialists, on a payment by reward basis, with a view to securing borough-wide sponsorship opportunities to generate new income streams.
- 1.3 It is estimated that an income stream of circa £350k per annum can be generated from such opportunities.

2. PROCUREMENT PROCESS

- 2.1 In accordance with the Council's procurement process a Tender Appraisal Panel (TAP) was established to oversee the procurement process of the project.
- 2.2 Advertisements inviting expressions of interest were placed on the London Tenders Portal and on the Council's website on the 1st November 2011. The tender invitation was issued for the provision of a market specialist to work on a risk and reward basis to appoint sponsorship across the borough.
- 2.3 A total of 34 suppliers requested applications.
- 2.4 Three tenders were received on the closing date of the 12 December 2011. Of the three received, two were deemed to be satisfactory and one was declined at the time of opening of the tenders due to incompleteness.
- 2.5. The financial standing, insurance, technical capability and capacity of the two accepted tenders were first assessed by members of the TAP. Both tenderers met the minimum standards set out in the tender documents and proceeded to the next stage of assessment.
- 2.6 The Tenderers' response to the Contractor's Proposal were then evaluated on the basis of a 50:50 Price/Quality Model in accordance with the evaluation criteria set out in the Invitation to Tender document and outlined in point 3 and 4, below.

3. QUALITY EVALUATION

- 3.1 On 14 December 2011, tenders underwent a qualitative assessment by the panel. All tenders were assessed in accordance with the Invitation to Tender document (ITT), with the weightings attributed to each of the areas as detailed in the exempt report.
- 3.2 A summary of the overall qualitative evaluation scores agreed by the panel is detailed in the exempt report.

4. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE

- 4.1 The Council's savings plans assume growth over the three years 2012/13 to 2014/15 in advertising and sponsorship revenue. Such income is expected increase by £345k per year from 2012/13, with further increases from 2014/15. It was anticipated that such a significant increase would require the use of an external contractor, to be paid on a basis of a share of the revenues generated.

5. COMMENTS OF THE ASSISTANT DIRECTOR OF PROCUREMENT & IT STRATEGY

- 5.1 The AD Procurement and IT Strategy is represented on the Tender Appraisal Panel and supports the recommendations.

6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

- 6.1 Legal Services has advised the client department during the procurement process and has been represented on the TAP. The AD Legal And Democratic Services supports the recommendation.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS**

No	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet Member Decision (sponsorship of Key Assets) 20th June 2011	Sharon Bayliss Ext: 1636 & Simon Jones Ext: 2086	RSD – Glenthorne Road
2..	Project documents, avertissement, PQQ evaluations, TAP documents	Mary Byrne Ext: 2080	RSD – Glenthorne Road
CONTACT OFFICER:		NAME: Mary Byrne Ext: 2080	