



Report to: Development Committee

Subject: **Procurement of Services Contracts for Belfast Waterfront and Ulster Halls**

Date: February 18th 2014

Reporting Officer: John McGrillen, Director of Development, ext 3470

Contact Officers: Jacqui Owens, Operations Manager 1401

1	Relevant Background Information
1.1	<p>A number of procurement exercises are ongoing in relation to provision of external services for both Waterfront and Ulster Halls.</p> <ul style="list-style-type: none"> • Cleaning Services Contract Waterfront (T1281) • Catering and Bar provision Ulster Hall (T1340) • Event Cleaning Services Ulster Hall

2	Key Issues
2.1	<p><u>Cleaning Services Contract Waterfront (T1281)</u> In relation to this contract, Members will recall that, at its meeting of 9 April 2013, in order to accommodate the extended timeframe for an OJEU tender, approval was given to extend the current contract, held since 2008 by Totalis, to February 2014.</p>
2.2	<p>The initial stage of the procurement process drew an unprecedented interest on both a local and national scale. On the advice of Legal Services, the Procurement Unit made a number of requests for further detailed information through the e-sourcing portal in order to provide a high level of assurance on decisions made at the pre-qualification stage and with a view to avoiding any potential challenge from an unsuccessful applicant.</p>
2.3	<p>These additional assurance steps have resulted in an unavoidable over run of 3 months for the procurement process. As a result Legal Services have advised that the current contract be extended until 30 June 2014. Standing Order 62(a) of the Council allows for a derogation from the normal procedures on Contracts on the recommendation of a Chief Officer where the exception is justified in special circumstances, such as this.</p>

2.4	<p><u>Catering and Bar provision Ulster Hall (T1340)</u> The committee will be familiar with the existence of a concession services contract held at The Ulster Hall by Shine Productions Ltd for the period March 2009-March 2014 and with the re-tendering exercise authorised at the Development Committee meeting of 22 October 2013.</p>
2.5	As a result of issues, and queries raised, of a legal nature, during the tender process we have been advised by Legal Services and Procurement that the preferable course of action is to suspend the current procurement exercise.
2.6	To re-tender the contract with a revised specification, that resolves the issues, Legal Services have advised that the current contract with Shine Production Ltd be extended for 6 months to 31 August 2014. Standing Order 62(a) of the Council allows for a derogation from the normal procedures on Contracts on the recommendation of a Chief Officer where the exception is justified in special circumstances, such as this.
2.7	<p><u>Event Cleaning Services Ulster Hall</u> The extensive cleaning requirements associated with large scale events are currently met by an external contractor who supplies staff at an appropriate volume, as and when required, in line with the events programme for the building.</p>
2.8	Since 2008 the contract for the external service has been let 3 times and on varying value scales: initially as a tender and twice as a quotation with the current contract being held by OCS on a maximum value of up to £30,000 and a period of one year. (<u>QWFH066</u>).
2.9	In evaluating the current volume of events and scale of demand for the cleaning service the Ulster Hall Management Team have concluded that a contract tendered on a longer 3 year term is likely to return a more economically advantageous offer for the Council.
2.10	The Director is seeking approval to commence a procurement exercise at the earliest opportunity subject to capacity within the Procurement Unit, to award a contract, for event cleaning services, to commence in January 2015.

3	Resource Implications
	<ul style="list-style-type: none"> - HR: No implications over and above current resources. - Financial: The current Ulster Hall cleaning contract has an annual value of approximately £25,000. It is anticipated that a longer contract term will achieve possible savings.

4	Equality and Good Relations Considerations
	None relevant

5	Recommendations
	<p>That the committee approve:</p> <ul style="list-style-type: none"> - An extension of the current cleaning contract at Belfast Waterfront to a limit of 30 June 2014 - An extension of the current catering contract at Ulster Hall up to a limit of 31 August 2014 - That Committee authorise the Director of Development to begin a procurement exercise for supply of an event cleaning service at Ulster Hall and to award this contract under the Scheme of Delegation

6	Decision Tracking
Officer Responsible : Jacqui Owens, Operations Manager	