

Item No:



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Delegated Authority for extension of contract for the provision of Travel Services
Date:	23 May 2007
Reporting Officer:	Gerry Millar, Director of Core Improvement
Contact Officer:	Valerie Cupples, Procurement Manager

Relevant Background Information

The Terms of Reference of the Procurement Unit include 'co-ordinating purchasing for the Council and that it will enter into contracts where the best price can be obtained by working from a central contract, with Departments purchasing from it'. The existing contract was due for expiry in March 2008.

In November 2007 a new tender was advertised for the provision of travel services. In response to this advertisement seven companies submitted tenders. The estimated value of this contract was £200,000 per year.

Key Issues

An extensive evaluation of tenders has been undertaken. However, because of the complex nature of the travel industry, varying pricing mechanisms that contractors have presented in their tender submissions and a difficulty in making a like-for-like comparison means that we are unable to make a recommendation that we could stand over.

In addition, it has become apparent that, in view of changes within the travel industry as well as the Council's own emphasis towards greater efficiency, we should not award a tender at this stage but rather carry out further research into the best approach for contracting our travel arrangements.

The Audit Panel is also conducting an investigation into Council travel which will result in further recommendations that may affect any further travel contracts.

Resource Implications

A co-ordinated contract will provide the Council with a cost effective method of purchasing this service. The Procurement Unit will manage the co-ordinated tender process on behalf of the Council.
--

Recommendations

Committee is requested to approve extending the existing contract with McNeill Menary for a period of six months, with the option to extend on a monthly basis thereafter as required, while further research is undertaken.
--

Documents Attached

N/A
