

# WIRRAL COUNCIL

## SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE

28 MARCH 2012

<b>SUBJECT:</b>	<b><i>DECISIONS TAKEN UNDER DELEGATED POWERS</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>ALL</i></b>
<b>REPORT OF:</b>	<b><i>DIRECTOR OF TECHNICAL SERVICES</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>COUNCILLOR LESLEY RENNIE CULTURE, TOURISM &amp; LEISURE</i></b>
<b>KEY DECISION?</b>	NO

### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to inform Members, in accordance with the Approved Scheme of Delegation, of any instances where delegated authority has been used by the Director of Technical Services with respect to the appointment of contractors. In this case, the tender for the supply of the pantomime at the Floral Pavilion between December 2010 and January 2013 and the supply and maintenance of fitness equipment for Wirral's Leisure Centres from February 2012 for 5 years.
- 1.2 Both procurement exercises were undertaken in collaboration with Corporate Procurement and the successful contractors were appointed on the highest aggregate score based upon price and quality. The reporting of the decision for the pantomime at the Floral Pavilion follows advice given by Internal Audit in October 2011.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 Under the Approved Scheme of Delegation, the Director of Technical Services has used delegated authority to approve the appointment of UK Productions for a 3 year contract commencing in 2010 to provide a pantomime show at the Floral Pavilion Theatre, and for the appointment of Pulse Fitness Equipment Limited for the supply and maintenance of fitness equipment for Wirral's Leisure Centres for a five year contract commencing February 2012.

#### **Floral Pavilion Contract**

- 2.2 Over 20 companies applied for the contract during the PQQ stage and from those 5 companies were invited to tender. UK Productions scored highest in terms of both price and quality.
- 2.3 The 2011 pantomime was extremely successful with a significant increase in group bookings particularly from schools in the area. This can be attributed to the success of Cinderella in 2010 and also to scheduling a week of performances earlier in December. The marketing of the 2011 pantomime began during the run of Cinderella with many people booking 12 months in advance. This has been repeated in 2012 and there are already advance sales of £60k for Peter Pan this year. Aladdin sold 29,290 tickets compared with Cinderella which sold 23,074 which represented a 30% increase in sales.

## **Supply and Maintenance of Fitness Equipment**

- 2.4 Knowsley Council undertook a Framework Agreement on behalf of the Merseyside Procurement Partnership, which includes Wirral Council. The technical specification included in the Framework contained the equipment specification provided by Wirral Council.
- 2.5 Tenders were invited via the Knowsley framework, which is fully compliant with the Council's Contracts Procedure Rules and European Procurement Directives. The tender evaluation was based upon lowest price, as an accepted quality standard had already been established at the framework process stage by Knowsley Council.
- 2.6 Replacement equipment is required urgently at two Leisure Centres – Europa Pools Leisure Centre and West Kirby Concourse Leisure Centre, and the requirements for these two Centres were used in the tender pricing schedule.

The outcome of the evaluation was that the tender submitted by Pulse Fitness Limited proved to be the lowest bid and has been awarded by the Director of Technical Services under Delegated Authority for the supply, installation, including support and maintenance of fitness equipment, for a period of five years.

### **3.0 RELEVANT RISKS**

- 3.1 The pantomime is a key event in the Floral's programme and brings in significant income. A poor quality production or unfavourable financial agreement would affect income levels for several years.
- 3.2 The fitness suites in Wirral's Leisure Centres are well used and key sources of income. Customers have high levels of expectation and if the facilities are not regularly renewed and maintained there would be a significant loss of income and a rise in customer complaints.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 Different types of production or contractual arrangements have been considered for the pantomime but at the present time the agreement with UK Productions is considered the most financially advantageous.
- 4.2 In respect of the supply and maintenance of fitness equipment the option of leasing was considered but does not provide best value for money.

### **5.0 CONSULTATION**

- 5.1 For the pantomime production there is no specific consultation but audience feedback on productions is important to deciding future production.
- 5.2 In Leisure centres regular feedback is reviewed from customers using fitness suites on the type and condition of equipment.

### **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 There are no specific implications arising directly from this report.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 7.1 The pantomime provided a net income of £261,740 for 2011/12.
- 7.2 It is estimated that the total value of the contract over five years for the supply and maintenance of fitness equipment will be approximately £442,000 given the current requirements of the service.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 There are no specific implications arising from this report.

## **9.0 EQUALITIES IMPLICATIONS**

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?
- (b) No because there is no relevance to equality.

## **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 There are no specific carbon reduction implications arising from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 11.1 There are no specific implications arising from this report.

## **12.0 RECOMMENDATION**

- 12.1 That the report be noted.

## **13.0 REASON/S FOR RECOMMENDATION/S**

- 13.1 To advise Members in accordance with the Approved Scheme of Delegation.

**REPORT AUTHOR:** *Jim Lester*  
*Head of Cultural Services, Technical Services Department*  
telephone: (0151) 606 2308  
email: [jimlester@wirral.gov.uk](mailto:jimlester@wirral.gov.uk)

## **APPENDICES**

None.

## **REFERENCE MATERIAL**

*(Include background information referred to or relied upon when drafting this report, together with details of where the information can be found. There is no need to refer to publicly available material: e.g. Acts of Parliament or Government guidance.)*

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>