



Author/Lead Officer of Report:

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Report of: Director of Operational Services
Report to: Executive Director, Place
Date of Decision: 8th October 2021
Subject: Sheffield City Illuminations Contract 2022/2026
Invitation to Tender.

Is this a Key Decision? If Yes, reason Key Decision: - Yes No

- Expenditure and/or savings over £500,000

- Affects 2 or more Wards

Which Executive Member Portfolio does this relate to? City Futures: Development, Culture and Regeneration

Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given?

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -

*“The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended).”*

Purpose of Report:

The purpose of this report is to seek authority to procure a contract to provide Delegated Approval to authorise the award for procurement for the hire, maintenance, testing, installation, removal, and storage of Sheffield Christmas Illuminations to run for a period of four years commencing early 2022. Provision will also be made for a mid-term review.

Recommendation:

Approve the procurement of a provider to deliver Sheffield Christmas Illuminations, as detailed and set out in this report.

Delegated authority to the Director of Business Strategy, in consultation with the Director of Finance and Commercial Services to agree the terms of the contract and thereafter to award the contract to the successful tenderer.

Where no existing authority exists, delegate authority to Director of Business Strategy, in consultation with the Director of Finance and Commercial Services, to take such steps to meet the aims and objects as detailed and set out in this report.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Sheffield City Council (SCC) has an ongoing requirement to provide festive lighting for the city centre, and over the past four years this has been achieved by tendering a contract for the provision of a hire, maintenance, repair, testing, installation and removal service of all SCC's outdoor illuminations. In addition, there was scope for district centres to 'call-off' from the contract under 'additional services' (bidders were asked to price for this in their submissions).

Lead Officer to complete: -		
1	I have consulted the relevant services in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Kerry Darlow
		Legal: Henry Watmough-Cownie
		Equalities: Annemarie Johnson
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	Mick Crofts
3	Cabinet Member consulted:	Individual Executive Member
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Angela Gower	Job Title: City Centre Resources Officer
	Date: 23rd August 2021	

1. PROPOSAL

- 1.1 The City Centre team, in conjunction with Commercial Services propose to procure a new four-year contract (with an option to break at the end of year two) via an open tender process to illuminate Sheffield with a fresh scheme that has high impact and a wow factor appropriate for a large city.

Sheffield City Council provide illuminations to add vibrancy and animation which attracts visitors, increases spend to businesses, adding to the economic value of the city centre. One supplier is preferred for hire, including all equipment testing, installation, maintenance, and storage of Christmas lights and, due to the end of that contract this year, has now opted to undertake an open Invitation to Tender for another four-year period, with an option to refresh parts of the scheme for years three/four. It should be noted however, that due to the length of this contract and considering upcoming regeneration in parts of the city centre, the successful supplier must be flexible as some options may not be available in future years.

Including the Town Hall Christmas tree and lights, anchor points and Portable Appliance Testing, installation, maintenance, and removal of the Christmas lights scheme, the total budget is £155k pa for hire of new cross street features, large 3D displays, column mounted features, Christmas tree and festoons across all sites.

The Invitation to Tender will be expanded to also include if budgets allow all Local Area Committees to have the option to make use of this contract for their district centre decorations.

The potential value of the contract for a four-year period will be £670,000, made up of:

City Centre - Circa £480,000 in total being City Centre funds.

Moor and Crystal Peaks Indoor Illuminations - Circa £140,000.

Plus, a £50,000 additional allowance to cover spend in district centres. This funding could be generated by traders themselves and will therefore not be SCC monies. It should be noted however there is no guarantee there will be any additional spend within district centres either at all or in any one year, however the tender will allow for this as an optional extra.

Bidders will be invited to price against a hire requirement for the main City Centre and both indoor Markets aspect, including maintenance and testing of existing equipment such as anchor points and LED tree lights, and separately a supply, maintenance, repair, testing, installation and removal service of illumination equipment and trees in the local areas requiring the assistance. New 'purchases' are outside the scope of this contract which is where any significant price savings may have been generated.

The same broad resource is expected to be required to provide the services, and bidders will be bound by the same regulations, for example 'The Code of Practice for the Installation, Operation and Removal of Seasonal Decorations', members of the 'Institute of Lighting Professionals,' and the 'Highway Electrical Registration Scheme' (HERS).

Prices are anticipated to be generally comparable, and an emphasis has been put on quality and feature design accordingly, as below, to ensure a full and robust evaluation of bids may be carried out.

The proposed evaluation criteria will be as follows:	%
• Proposals for delivering the Services, including Design and Quality*	20
• Skills & Experience of the Staff who will be Committed to Work on the Programme	15
• Contract Management and Management Support	10
• Customer Focus'	10
• Policies, Procedures & Processes; plus Performance Monitoring / Systems inc. Cancellation of Service / Ordering and Payments	5
• Local Economic Impact and Social Value	15
• Price	25

* Proposals for delivering the Services will include Bidder presentations on their solution which will be sub-weighted.

Furthermore the reasoning behind the emphasis on quality and design is also to ensure bidders have a full appreciation of SCC requirements, with quality being a key concern, and as with an open tender competition there may be some generic electrical contractors who may consider bidding who may not necessarily have the skills, expertise and experience in providing what is a niche and specialist requirement in a highly public arena with the resultant reputational risk if a contractor is appointed based on price with little or no attention to quality, design and experience, potentially resulting in a persistent failure of the lights. The quality and design proposals therefore tie in with the detail contained within the specification to tease out such understanding and expertise in the field and to provide reassurance on capability.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Festive illuminations are a high-profile service provided for the Sheffield public and play an integral part in creating a festive atmosphere over the Christmas period for visitors, residents and retailers and help to maintain a modern, vibrant city centre which contributes to the council's Thriving Neighbourhoods and Communities priority.

A key part of the illuminations contract is to ensure all are energy efficient LEDs and are maintained and tested to ensure they give their maximum efficiency.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There is no requirement for consultation as this proposal is a continuation of the service provided by SCC and will not negatively impact businesses, stakeholders, or members the public.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

Overall, there are no significant differential, positive or negative, equalities implications from this proposal. The proposal supports the continuation of festive lighting which has a low-level positive impact on religion/belief and community cohesion. There are no negative impacts identified.

4.2 **Financial and Commercial Implications**

The cost has been approved by Finance and is within agreed current budgets. Commercially there will be an open Tender process led by a procurement professional in line with the requirements of the Public Contract Regulations 2015.

4.3 **Legal Implications**

The procurement of such services will therefore comply with all statutory requirements under Public Procurement Regulations 2015 and in accordance with Contract Standing Orders procedures. Within the Localism Act 2011, section 1, the Local Authority has a general power of competence giving the Council “power to do anything that individuals generally may do”. The Council has the power to enter into such contracts to meet (any statutory duties or) any discretionary decisions made.

4.4 **Other Implications**

None.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 **Amey non-core approach** – It was considered that Amey may undertake the install and maintenance part of this service via the ‘non-core’ provision existing within the primary Highways contract with Amey. This option was discounted based on resource implications and the potential need to sub-contract which may add further costs.

Further extending the existing contract to cover Christmas 2022 (and beyond) – This was discounted for two reasons, one being a general procurement requirement to re-tender the scheme and secondly as it was felt that the current scheme had become tired looking. After five years of the same features, 18 months of restrictions that have affected the public, residents and businesses in the city centre, a fresh scheme would add vibrancy and encourage visitor spend for local retailers

In-sourcing the requirement – There is no capacity or expertise in-house for the requirement which would then still require further sub-contracting, therefore discounted as more efficient to contract out the full requirement to a single provider with expertise in the field.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 To obtain the best possible array of festive illuminations for Sheffield.

Illuminations add vibrancy and animation and attract visitors who in turn then provide much needed spend to the shops and businesses, adding to the economic value of the city centre particularly in the wake of several Covid lockdowns.

The Council can demonstrate compliance with UK procurement rules and regulations in the awarding of the contract.

It will obtain a value for money contract based on considerations of both quality and price.