

**Report of Senior Projects Manager**

**Report to Chief Officer Parks and Countryside**

**Date: 15/02/16**

**Subject: Waiver of contract procedure rules to support the purchase of supplementary café equipment for use within Parks and Countryside Café outlets.**

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Parks and Countryside Service is responsible for the management four café outlets across its major estates. By exploring options to grow and diversify these businesses, the service has been able to enhance the onsite visitor experience and in turn generate significant revenue streams through sales of food and drink at these outlets.
2. Given the popularity of these attractions and the extent to which they are used by the public, it is necessary to both refresh the internal surroundings and also replace damaged items and equipment. Given that each facility has a range of differing styles and a heritage of existing equipment, it is necessary when replacing chairs, tables, furniture, utensils, cutlery etc. that there is continuity with the replaced items and those that remain on site.
3. At present there is a requirement to purchase a number of items as a replacement for existing damaged items. Given the need to ensure continuity with existing equipment, it is proposed on this occasion to go to a single supplier who can provide matching items as required.

4. It is therefore requested that the Chief Parks and Countryside Officer waiver contract procedure rules to enable this transaction to proceed.

### **Recommendations**

5. The Chief Parks and Countryside officer is requested to waiver contract procedure rules 3.1, 3.1.6, 3.1.7, 8.1 and 8.2 (in accordance with CPR27) in respect of the requirement to approach a single supplier who can provide all replacement equipment as necessary.
6. The Chief Officer Parks and Countryside is requested to award a contract to Dam Furniture Limited in the sum of £24092. The contract shall commence on the 8<sup>th</sup> February 2016 and expire on the 16<sup>th</sup> March 2016.

## **1 Purpose of this report**

- 1.1 This report requests authorisation to waive contract procedure rule 3.1, 3.1.6, 3.1.7, 8.1 and 8.2 (in accordance with CPR27) in order to approach a single supplier without competition for the purchase of a range of replacement equipment for use across café outlets in Parks and Countryside.

## **2 Background information**

- 2.1 The Parks and Countryside service is diverse, and whilst the core service is delivered in-house, there is a significant requirement within the services annual revenue budget to generate income. One contributing factor towards achieving this income target is through the provision of cafe and retail outlets at major visitor sites and attractions.
- 2.2 The Parks and Countryside Services provides four café outlets across its major estates with each providing a particular offer in each location. Through exploring options to grow and diversify these businesses the service has been able to enhance the onsite visitor experience and in turn generate significant revenue streams at each outlet. In the 2015/16 financial year there is a requirement to generate income to the value of £1.1 million via the sale of food and drink.
- 2.3 Given the popularity of these attractions and the extent to which they are used by the public, it is necessary to both refresh the internal surroundings and also replace damaged items and equipment. Given that each facility has a range of differing styles especially relating to furniture, it is necessary when replacing existing equipment that there is continuity with those items that remain usable.
- 2.4 At present there is a requirement to replace a number of damaged items and, given the requirement for continuity, it is proposed on this occasion to go to a single supplier who can provide matching items as required.

## **3 Main issues**

### **Reason for contracts procedure rules waiver**

- 3.1 As highlighted above, the Parks and Countryside service manages 4 café outlets each with a heritage of different types of equipment including tables, chairs, serveries, utensils etc. There is a requirement to replace a range of equipment across each site whilst at the same time ensure that any replacement equipment provides continuity with the remaining equipment on site.
- 3.2 Prior suppliers of some onsite equipment are no longer trading and as such it is not possible to approach them directly for identical replacement furniture. Following a review of specialist providers, a single company was identified that was able to provide matching furniture across a range of required replacement items. The supplier in question is Dam Furniture Limited and the total value of the order to be placed is £24092.
- 3.3 As demonstrated in the background section of this report the café outlets located across the Parks and Countryside Service are projected to generate £1.1million in income in the 2015/16 financial year. These outlets are both incredibly busy and

popular and the decision to replace equipment where necessary represents value for money in that it will help sustain existing revenue streams. Furthermore, the replacement of selective failing items as opposed to unnecessary wholesale replacement demonstrates a cost efficient approach to business and service management.

- 3.4 For clarity it should be noted that there is no appropriate internal service provider who could provide the required products.

### **Consequences if the proposed action is not approved**

- 3.5 Should this proposed approach not be approved, then it would be necessary to consider on a site by site basis whether it would be appropriate to replace all supporting equipment in order to ensure consistency of provision. Consequently, the alternative to taking this decision would inevitably lead to incurring additional costs as opposed to the more cost efficient approach of replacing individual equipment as necessary.

### **Advertising**

- 3.6 No advertising was undertaken in advance of identifying an appropriate supplier of the required bespoke items. Given that it was necessary to identify a supplier who could provide equipment that directly matched and coordinated with existing on site equipment a more targeted and directed approach was applied.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 Consultation was not undertaken in this instance given that the decision being taken did not materially affect the general public and related solely to the replacement of existing equipment.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 A screening document was completed in respect of the decision proposed to be taken within this report and that process established that a full equality impact assessment was not required.
- 4.2.2 In support of the above statement, it is felt that the proposal doesn't affect how services and/or procurement activities are organised, provided, or located. The service is not seeking to change the way in which a service is delivered to the public since the requirement is simply to replace existing equipment on a like for like basis. Furthermore, the changes made will have no discernible negative effects on service users, and will provide only benefits to those using the site.

### **4.3 Council policies and city priorities**

- 4.3.1 The Vision for Leeds 2011 to 2030 is to be the best city in the UK by 2030. It has specific aims that the economy will be prosperous and sustainable and that all Leeds' communities will be successful, where there are high quality buildings, places and green spaces, which are clean, looked after and respect the City's heritage.

- 4.3.2 The Best Council Plan sets out a vision for the city to be compassionate and caring, helping all its residents benefit from the effects of the city's economic growth. There are specific objectives to Promote Sustainable and Inclusive Economic Growth and to Become a More Efficient and Enterprising Council. In addition the best council plan sets out a new leadership style of civic enterprise, where the council becomes more enterprising, businesses and partners become more civic
- 4.3.3 The work included within this project will enable the Parks and Countryside to sustain existing revenue streams that are generated by the café outlet as well as providing opportunities to improve service provision which would therefore support future growth in revenue.

#### **4.4 Resources and value for money**

- 4.4.1 Cafe and retail outlets located within parks and greenspaces generate significant revenue in support of the broader Parks and Countryside service. Given the high footfall and volume of use at these facilities it is inevitable that supporting equipment and infrastructure will require replacement. It should be noted that the decision taken in this report will support in sustaining these revenue streams moving forward and as such there are clear benefits in terms of value for money and the use of resources.

#### **4.5 Legal implications, access to information and call in**

- 4.5.1 No sections of this report are restricted under the access to information rules and nor is the decision to be taken eligible for call in. A waiver of the council's contract procedure rules is required to allow the purchase of replacement equipment without competition for the reasons outlined in this report.

#### **4.6 Risk management**

- 4.6.1 There are no significant risks associated with this decision. The rationale for moving forward in this manner is to ensure continuity of provision and a decision not to implement the suggested approach in this report is likely to have implications in terms of service provision and also in terms of cost efficiency and value for money.

### **5 Conclusions**

5.1 The Parks and Countryside service is projected to generate £1.1m income from food and drink sales in 2015/16 across 4 retail café facilities. Each facility has a heritage of existing equipment and given the extent of use it is necessary to replace items on a like for like basis. It is therefore proposed to approach a single provider to replace a range of items that match existing items on site.

### **6 Recommendations**

- 6.1 The Chief Parks and Countryside officer is requested to waive contract procedure rule 3.1, 3.1.6, 3.1.7, 8.1 and 8.2 in respect of the requirement to approach a single supplier who can provide all replacement equipment as necessary.

6.2 The Chief Officer Parks and Countryside is requested to award a contract to Dam Furniture Limited in the sum of £24092. The contract shall commence on the 8<sup>th</sup> February 2016 and expire on the 8<sup>th</sup> March 2016.

## **7 Background documents**

7.1 None