

Report of the Head of Markets service

Report to the Chief Officer, Service Development, City Development

Date: 22nd February 2018

Subject: Kirkgate Market - proposed waiver of Contract Procurement Rules (CPRs) 8.1 and 8.2 for the purchase of 20 gazebos (pop up trading units).

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: (insert here)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The significant refurbishment of Kirkgate market has now been completed which was essential to improve the Market to make it more attractive to today's customers and traders, securing its growth for the future by investigating new ways to meet customer expectations and expand its customer base, particularly in light of the estimated 10 million customers per annum that now visit the adjacent Victoria development.
2. The refurbishment of the market included the build of a new food area incorporating flexible trading spaces and an event space which have proved to be extremely popular in terms of attracting a new audience. The flexible spaces are now used for a wide variety of events and activities including specialist markets.
3. Following the refurbishment the Market team purchased twenty gazebos (pop up trading units) which are used for a variety of events and activities. As a result of the growing popularity of the space the Market team is now looking to purchase a further twenty gazebos.
4. To ensure the gazebos are compatible with the initial twenty purchased this report is seeking approval to waive CPRs 8.1 & 8.2 (intermediate value procurements) specifically to negate the requirement to go to full tender for the procurement and to award the contract to the same supplier of the first twenty gazebos.

Recommendation

The Chief Officer, Service Development is requested to note the content of this report and to approve the recommendation contained within to waive CPRs 8.1 and 8.2 on the grounds of compatibility so that the market team can purchase twenty gazebos at a total cost of £14,300 and without going to full tender.

1 Purpose of this report

- 1.1 This report details the rationale for the waiver of CPRs 8.1 and 8.2 on the grounds of compatibility to enable the Market team to purchase twenty gazebos (at a cost of £14,300) and without undertaking a tender exercise.

2 Background information

- 2.1 As part of the refurbishment of the market new flexible trading spaces were created to allow the Market team to hold 'pop up' type events in the area known as the Covered Daily market (CDM). These type of events are intended to improve the overall market experience, encourage new customers to the market and generally increase customer dwell time and ultimately customer spend.
- 2.2 To facilitate these events and activities the Market team previously procured twenty gazebos.
- 2.3 Events like the monthly Night market have proven to be extremely successful with up to 20 traders hiring one of the existing gazebos. Likewise a number of other events have been held and are planned for the forthcoming year including Kirkgate Market hosting the prestigious National Market Trader Federation (NMTF) regional youth market final in August 2018, this event will see 40 of the best young traders from across Yorkshire trading from a gazebo in the CDM.
- 2.4 As a result of the growing popularity of the flexible trading spaces there is now a requirement to expand existing events like the night market and also to increase capacity at other events. The team would also like to continue to target other high profile events such as the aforementioned regional youth market final. Achieving this objective will ensure the market continues to attract and retain new customers and traders to the market as well as increasing income potential.

3 Main points

- 3.1 In order to facilitate the expansion of the events there is now a requirement to purchase an additional twenty gazebos.
- 3.2 The CDM is an edgy, colourful space where entertainment, the arts and quality food come together – the décor and furniture in this area complement this look and feel and as such each of the existing gazebos have the quality Kirkgate Market branding applied which creates a professional branding and lasting image of the market. To maintain this look and feel it is considered essential that the new gazebos complement the existing gazebos as well as the space in general.
- 3.3 In addition to being aesthetically pleasing the existing gazebos are also of a very high quality as well as being easy to erect/dismantle and transport. The gazebos also have a 3 year frame warranty and a lifetime warranty on all replacement components.
- 3.4 If a different supplier is selected resulting in two types of gazebo in use then issues will arise with compatibility for example the 'walls' from one type of gazebo may not fit the other resulting in the team having to keep the two types separate which will be very time consuming when erecting and storing. Of more concern is there will be issues with design variations/colour matching for the branding which would look unsightly and unprofessional

3.5 Therefore to ensure consistency and continuity with the branding of the new gazebos, as well as general compatibility with the existing twenty gazebos in terms of erection, transportation and storage it is recommended that the additional twenty gazebos are purchased from the same supplier as the first twenty.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 As the decision will have no impact on service users or the wider population of Leeds consultation and engagement is not required.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This decision has no equality and diversity/cohesion and integration implications.

4.3 Council policies and City Priorities

4.3.1 The continued improvement of Kirkgate Market is consistent with the Best Council Plan 2015 – 20 in terms of promoting sustainable and inclusive economic growth by maximising employment opportunities for local residents.

4.3.2 Specifically the proposal detailed in this report meets with the Council’s objectives of improved use of resources and value for money.

4.4 Resources and value for money

4.4.1 The supplier (Sun Leisure) has confirmed that the exact same specification gazebos can be purchased at a cost of £14,300. In terms of cost comparison a soft market testing has been undertaken– see summary below:

Supplier	Cost
Sun Leisure	£14,300
Gala Tent	£20,500
Instant Marquees	£21,800

4.4.2 Whilst a full formal tender exercise has not been undertaken the soft market testing has shown that in addition to ensuring compatibility the price quoted by Sun Leisure is also very competitive.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This decision is not eligible for call in.

4.6 Risk Management

4.6.1 As stated in this report it is essential for branding and operational purposes that the additional twenty gazebos to be purchased are compatible with the existing gazebos.

4.6.2 Given the importance of this compatibility to undertake a full tender when the decision to procure from Sun Leisure is already established would be disingenuous in particular from a cost and time perspective for other potential suppliers and the Market team.

5 Conclusion

- 5.1 For the reasons detailed in this report the purchase of an additional twenty gazebos is integral to ensuring the continued growth of the CDM and the flexible spaces, in particular it is essential that the gazebos are compatible with existing.

6 Recommendations

- 6.1 The Chief Officer, Service Development is recommended to note the content of this report and specifically to approve the recommendation to waive CPRs 8.1 and 8.2 to purchase twenty gazebos at a cost of £14,300 on the grounds of compatibility.