

Report of: Box Officer Manager, City Development.

Report to: Chief Officer for Economy and Culture

Date: 12th January 2021

Subject: Approval to award a contract (DN474003) to Tessitura Network Inc for the provision of a Box Office Ticketing Solution for a period of 3 years with options to extend by 3 periods of 24 months (3+2+2+2).

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open 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: 1 – confidential score breakdown	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary

1. Main issues

- The Chief Officer Culture and Sport approved the commencement of a procurement for a Box Office Ticketing Solution on 23rd July 2020.
- Following a procurement exercise run in accordance with the Councils Contract procedure Rules and the Public Contract Regulations 2015, this report provides detail of the procurement process and outcome and seeks approval to award a contract to Tessitura Network Inc for the provision of a Box Office Ticketing Solution for a period of 3 years at a cost of £209,817.00 with options to extend by 3 periods of 24 months (3+2+2+2)

2. Best Council Plan implications (see the [latest version of the Best Council Plan](#))

The Box Office Ticketing Solution helps support the following points of the Best Council Plan

- “Sustainable Infrastructure - Strengthening digital and data ‘Smart City’ infrastructure and increasing digital inclusion”

- Culture
- “Inclusive Growth - Supporting the city’s economic recovery from COVID-19 and building longer-term economic resilience”

3. Resource implications

- The cost of the initial contract is approximately £70k per year for an initial 3 year period with options to extend by 3 periods of 24 months (3+2+2+2).
- The estimated income generated from the solution during this time will be £400,000 per annum in fees, and a share of £3m+ per annum in ticket sales to Leeds Arts Events & Venues service. In addition, approximately £4m income wholly retained by Leeds Museums & Galleries and Park’s services.
- Should the contract run for the whole 9 year period, it is estimated the cost will be in the region of £630,000. The income retained by the box office is projected to be £3.6m.

Recommendations

- a) It is recommended that the Chief Officer for Economy and Culture provide approval to award a contract to Tessitura Network Inc for the provision of a Box Office Ticketing Solution for a period of 3 years with options to extend by 3 periods of 24 months (3+2+2+2). This is after the Chief Officer for Culture and Sport gave initial approval to start the process
- b) The Officer responsible for implementation of the decision is the Box Office Manager.

1. Purpose of this report

- 1.1 To provide supporting information and seek approval to award a contract to Tessitura Network Inc for the provision of a Box Office Ticketing Solution for a period of 3 years with options to extend by 3 periods of 24 months (3+2+2+2).

2. Background information

- 2.1 The Chief Officer for Culture and Sport approved the commencement of a procurement for a Box Office Ticketing Solution on 23rd July 2020 (D52114) including implementation and support and maintenance services.
- 2.2 The scope of the procurement comprised of
 - Hosted Box Office Ticketing Software
 - Implementation services
 - Configuration services
 - Integration services
 - On-going support and maintenance services
 - Solution development and customisation

- Training
- Software upgrades
- Associated Hardware (optional)

- 2.3 The procurement was conducted in accordance with the Public Contract Regulations 2015 on behalf of Leeds City Council, Civic Hall, Leeds, LS1 1UR
- 2.4 An Invitation to Tender was published on the Council's procurement portal YORtender, with advertisements sent to the Official Journal of the European Union and Contracts Finder on 23rd July 2020 with a closing date for receipt of tenders of 26th August 2020.
- 2.5 The duration of the contract is three years with three further options to extend by periods of 2 years (3+2+2+2).
- 2.6 The value of the contract being awarded is £209,817.00.
- 2.7 The evaluation panel was selected to provide a mix of strategic, operational and technical expertise and comprised:
- Box Office Manager – City Development
 - Communications Manager - City Development
 - Box Office Supervisor - City Development
 - Digital Solutions Officer - City Development
 - Senior Business Partner – Digital and Information Service
 - Solution Architect - Digital and Information Service

3. Main considerations and reasons for contract award

- 3.1 The full tender scoring breakdown can be found at Confidential Appendix A. The following provides a summary of the outcome.
- 3.2 The following tenderers submitted a response to the Council's Invitation to Tender:
- Astute IT
 - ECR Retail Systems
 - Eventim UK Ltd
 - Tessitura Network Inc
 - Vennersys Limited
- 3.3 The tender submitted by Astute IT was non-compliant as it did not include a response to the Council's non-functional requirements.
- 3.4 Tenderers were required to demonstrate their experience, skills, resources and capacity to deliver the contract by responding to a Standard Selection Questionnaire (SSQ). Those tenders that did not meet the required minimum thresholds set in the SSQ were not evaluated further.
- 3.5 Tenders submitted by ECR Retail Systems, Eventim UK Ltd and Vennersys Limited failed to meet the minimum thresholds required to pass the Standard Selection Questionnaire.
- 3.6 Tessitura Network Inc comfortably met the required thresholds and successfully passed the Standard Selection Questionnaire. The tender from Tessitura Network Inc was then evaluated on both price and quality in accordance with the tender evaluation criteria detailed within the tender instructions.

- 3.7 The maximum points available for quality was 600 and was subdivided with minimum thresholds as detailed in Confidential Appendix A.
- 3.8 The points available for each method statement were related to the importance of each method statement to delivery of the solution.
- 3.9 Tenderers were also required to pass a technical assessment conducted by a Solution Architect within the Councils Digital and Information Service,
- 3.10 The maximum points available for price was 400.
- 3.11 The tender from Tessitura Network Inc comfortably exceeded the minimum thresholds set.
- 3.12 The overall outcome for standard selection questionnaire, price and quality scores for each tenderer can be found in Confidential Appendix A.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 No consultation has taken place with key stakeholders as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tender received. However, consultation with key stakeholders was undertaken when the particular procurement route was chosen.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The decision proposed to be taken within this report does not impact upon Equality and Diversity / Cohesion and Integration.
- 4.2.2 In support of the above statement, it is felt that the proposal does not adversely affect how services and/or procurement activities are organised, provided, or located. The new contract to be made will have no discernible negative effects on service users, and will provide only benefits to those using the service, to book event tickets.

4.3 Council policies and the Best Council Plan

4.3.1 “Sustainable Infrastructure - Strengthening digital and data ‘Smart City’ infrastructure and increasing digital inclusion”

The Box Office Ticketing Solution procurement has been constructed to help deliver the Council’s ambitions to create interlinked digital infrastructure. By creating a single customer account to purchase cultural and visitor attraction entry, digital accessibility to these activities can be streamlined.

By creating a unified database, the Council can begin large scale data work to understand cultural activity across its portfolio of venues and festivals to understand the resident and tourism cultural economy in greater detail.

4.3.2 Culture

The Box Office Ticketing Solution will support the growing cultural provision within the city. It will support the booking of all cultural activity presented by Leeds Arts,

Event & Venues service and also Leeds Museums & Galleries service whilst phasing in activity held across the Parks & Countryside service.

Furthermore, the system can support cultural institutions across the city who currently do not have the resources to provide this service in house.

4.3.3 “Inclusive Growth - Supporting the city’s economic recovery from COVID-19 and building longer-term economic resilience”

The procurement will remove the need for the Council to source outside support for event booking and ticketing provision – an efficiency saving. Additionally, income generated through the application of fees and charges by third party organisation (such as booking fees) will now be retained by Leeds City Council representing income generation opportunities. This, coupled with an increased depth of consumer databases to market to, will add further resilience to the Council’s cultural departments’ financial resilience.

4.4 Resources, procurement and value for money

4.4.1 The specification was developed to reduce the impact on Council resource and services where possible.

4.4.2 The evaluation criteria included minimum quality thresholds which Tessitura Network Inc comfortably exceeded.

4.4.3 The price submitted by the successful tenderer was below pre tender expectations and the proposed solution provides additional functionality which could lead to further income streams.

4.4.4 The contract has been structured so that other services across the Council can utilise this system if it meets their requirements in the future. This therefore reduces the need for additional procurement exercises to be undertaken.

4.4.5 The cost of the initial contract is approximately £70k per year for an initial 3 year period with options to extend by 3 periods of 24 months (3+2+2+2).

4.4.6 The estimated income generated from the solution during this time will be £400,000 per annum in fees, and a share of £3m+ per annum in ticket sales to Leeds Arts Events & Venues service. In addition, approximately £4m of income will be wholly retained by Leeds Museums & Galleries and Park’s services.

4.4.7 Should the contract run for the whole 9 year period, it is estimated the cost will reach £630,000. The income retained by the box office is projected to be £3.6m

4.4.8 Additional staffing resource will ultimately be required to facilitate the increase in orders and sites supported. This resource is to be explored within the scope of additional income generated when the impact of this additional workload has been assessed. The cost of the additional staffing levels will be substantially less than the uplift in revenue.

4.5 Legal implications, access to information, and call-in

4.5.1 This report seeks the approval of a Significant Operational Decision not subject to call in.

4.5.2 In line with the Council’s constitution the Chief Officer for Culture and Economy is authorised to make the decision to award this contract to Tessitura Network Inc.

- 4.5.3 The information contained in Confidential Appendix A is considered confidential as this includes a detailed breakdown of tenderers scores and prices.
- 4.5.4 The procurement followed the Open Procedure of the EU Public Contract Regulations 2015 and a notice was advertised in the Official Journal of the European Union.
- 4.5.5 In addition, the procurement was advertised on the Council's tendering website, YORtender.co.uk and on the Government Contracts Finder website.
- 4.5.6 In accordance with the Public Contract Regulations 2015, a standstill period will be observed prior to the contract being awarded.

4.6 Risk management

- 4.6.1 Implementation and any risks associated with implementation will be identified and managed by Tessitura Network Inc and the Box Office Manager.
- 4.6.2 Ongoing contract risks will be managed by an appointed contract manager who will implement a contract management plan during the implementation phase.

5. Conclusions

- 5.1 The tender submitted by Tessitura Network Inc comfortably exceeded the required minimum quality thresholds and was priced in line with pre procurement expectations.

6. Recommendations

- 6.1 It is recommended that the Chief Officer for Economy and Culture provide approval to award a contract to Tessitura Network Inc for the provision of a Box Office Ticketing Solution for a period of 3 years with options to extend by 3 periods of 24 months (3+2+2+2). This is after the Chief Officer for Culture and Sport gave initial approval to start the process
- 6.2 The Officer responsible for implementing the decision is the Box Office Manager.

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.