

Management Report to Council

Agenda item 6.11

Management of Online Event Listings - Contract 3550

Council

Presenters: Katrina McKenzie, Acting Director City Economy and Activation

30 August 2016

Purpose and background

1. The purpose of this report is to recommend awarding a tender for the provision of services to manage event listings on the What's On website for two years with two, one-year extension options.
2. The contract provides management (editing and publishing) of over 8000 events per year on the What's On website, with coverage provided between 9am and 5pm on weekdays (excluding public holidays). The current contractor is John Ryan trading as Sitegeist.
3. The current tender expired on 31 May 2016. It cost \$176,208 per annum in its final year (or \$675,407 over the four-year contract term). A Request for Quotation process was undertaken for an interim period of four months, from June to September, while a competitive tender process was undertaken. John Ryan trading as Sitegeist was awarded the interim contract for the cost of \$56,914.64.
4. The tender was advertised in *The Age* newspaper on Saturday 28 May 2016. Three tender submissions were received.
5. The weightings of the evaluation criteria were declared in the invitation to tender documents and were Cost (50 per cent), Experience, Capability and Past Performance (30 per cent) and Plan for Proposed Services (20 per cent).
6. The tender evaluation summary is contained in Attachment 1.

Key issues

7. The cost to Council of appointing the recommended tenderer is \$334,000 over two years, which is within budget.
8. The tender evaluation panel recommend John Ryan trading as Sitegeist as the preferred tenderer due to a competitive pricing offer (around 8 per cent annual reduction on current costs), a proven effective resourcing model and extensive relevant experience.

Recommendation from management

9. That Council awards the contract for the Management of Online Event Listings on the What's On website to John Ryan trading as Sitegeist for a term of two years commencing 1 October 2016 with two options to extend the contract term by up to a further one year each, for an annual contract sum of \$167,000 and otherwise in accordance with the negotiated terms and conditions of contract.

Attachment:

1. Supporting Attachment (page 1 of 3)

Supporting Attachment**Legal**

1. Pursuant to section 186 of the *Local Government Act 1989 (Vic)*, before a Council enters into a contract for the purchase of goods or services to the value of \$150,000 or more (levels increased by Order in Council dated 7 August 2008), the Council must give public notice of the purpose of the contract and invite tenders from persons wishing to undertake the contract.

Finance

2. The contract cost is \$334,000 over two years, which is in line with budget expectations.

Procurement

3. This matter accords with the Centre Led Procurement Policy. It has been developed collaboratively with Paul Klebanowski, Category Manager, Procurement and Category Management.
4. This Tender and the resulting recommendation is fully supported by Procurement. The proposal has been competitively sourced and the proposed contract represents an approx. 8 per cent saving over the current contract.

Tender evaluation summary

5. The membership of the tender evaluation panel was as follows.

Title and/or company	Generalist or Nominated Speciality	Full / Advisory Member
Senior Digital Content Advisor, CoM	Generalist (Chair)	Full
Digital Content Advisor, CoM	Generalist	Full
Urban Forester, CoM	Generalist	Full
Procurement Category Manager, CoM	Finance	Advisory

6. The summary of final scoring for the three conforming tenderers is shown below:

Company	Cost	Experience, capability and past performance	Plan for proposed services	Total score
Sitegeist	50.00	27.00	16.00	93.00
Supplier B	46.35	15.00	8.00	69.35
Supplier C	25.00	18.00	14.00	57.00

Note 1: this price applies to the lump sum component of the service for Years 1 and 2 plus an extension of the schedules of rates by estimated quantities.

Note 2: this score includes an assessment of both lump sum pricing and schedules of rates.

Conflict of interest

7. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

8. No external consultation was undertaken in the development of this contract. If there was public concern about the events content, this would be evidenced through feedback about the website.

Relation to Council policy

9. This proposal is in line with Council policy and objectives.

Corporate social responsibility

10. Social Traders was made aware of this tender. No submissions have been identified as being submitted by specific Social Traders related suppliers.
11. Sitegeist is a Melbourne based SME and it engages Melbourne based freelance content editing staff. The contract will have a direct impact on local economy.