

ABERDEEN CITY COUNCIL

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COMMITTEE	Finance and Resources
DATE	4 <sup>th</sup> October 2012
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Request for Approval of Expenditure for Wines, Beers and Spirits Tender – Beach Ballroom
REPORT NUMBER:	CG/12/106

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1. PURPOSE OF REPORT

This report advises Committee of the intention to go out to tender for the provision of wines, beers and spirits to the Beach Ballroom for a maximum of four years and seeks approval of the estimated expenditure as detailed in this report.

2. RECOMMENDATION(S)

It is recommended that the Committee approves the estimated expenditure of £85,000 per annum on the provision of Wines, Beers and Spirits, in accordance with SO1(3) of the Council's Standing Orders Relating to Contracts and Procurement. For the four-year period this is a total estimated expenditure of £340,000.

3. FINANCIAL IMPLICATIONS

The Council spent approximately £85,000 on Wines, Beers and Spirits during the 2011/12 financial year. The sale of these items provides a key revenue stream to the Beach Ballroom, through the wide variety of functions and entertainment events hosted. It is anticipated that the cost for the four-year contract will be in the region of £85,000 per annum. However, in the event of price rises it is highly unlikely the Council would be financially impacted as price fluctuations are incorporated within the rate for hire of the facility.

4. OTHER IMPLICATIONS

The total combined spend on Wines, Beers and Spirits for the four-year period is £340,000 which is above the threshold set under the Public Contracts Scotland Regulations 2012 – and so tendering will be undertaken in accordance with these regulations, whereby a full EU tender process is required.

There are no EHRIA implications. Any Service delivery to accompany the goods will be delivered as it has been previously.

## 5. BACKGROUND/MAIN ISSUES

This tender process will be run by the CPU in conjunction with the management team of the Beach Ballroom. The tender shall be awarded on the most economically advantageous basis, and shall give consideration to price, quality of product, service levels, implementation plans and sustainability.

The tender shall be lotted into:

- Wines;
- Casket Beers; and
- Bottled Beers, Spirits and Mixers.

This will enable Small/Medium sized Enterprises (SMEs) and local business to tender competitively, and allow flexibility and depth of supplier choice to the Beach Ballroom.

A three year contract shall be awarded with the Council having an option to extend for a further year.

## 6. IMPACT

The Beach Ballroom is one of Aberdeen's best known and biggest entertainment venues and therefore there is likely to be public interest in the tender.

## 7. BACKGROUND PAPERS

n/a

## 9. REPORT AUTHOR DETAILS

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