

REPORT TO: CITY DEVELOPMENT COMMITTEE - 25 JUNE 2012

REPORT ON: BUSINESS GATEWAY RE-CONTRACTING

REPORT BY: DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 228-2012

1 PURPOSE OF REPORT

1.1 This report details tenders received and requests a decision on acceptance thereof.

2 RECOMMENDATION

2.1 Approval is recommended of (1) the acceptance of the tender submitted by the undernoted contractors and (2) the undernoted total amount, including allowances, for each project.

Project Description	Contractor	Tender Amount	Total Amount	Finance Available
Business Gateway Re-contracting: 1 October 2012 - 31 March 2013	ENET		£546,250	£546,250
1 April 2013 - 31 March 2014			£1,121,250	£1,121,250
1 April 2014 - 31 March 2015			£1,150,000	£1,150,000
1 April 2015 - 30 September 2015			£1,150,000	£1,150,000
Total			£3,392,500	

3 FINANCIAL IMPLICATIONS

3.1 The Director of Corporate Services has confirmed that funding for the above project is available as detailed on the attached sheets.

4 POLICY IMPLICATIONS

4.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. Any issues are detailed on the attached sheets.

5 CONSULTATIONS

5.1 The Chief Executive, the Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

6 BACKGROUND PAPERS

6.1 None.

7 FURTHER INFORMATION

7.1 Detailed information relating to the above Tenders is included on the attached sheet.

Mike Galloway
Director of City Development

Stan Ure
Head of Economic Development

SU/MM/KM

12 June 2012

Dundee City Council

CLIENT	CITY DEVELOPMENT DEPARTMENT	
PROJECT	Business Gateway Re-Contracting	
PROJECT INFORMATION	<p>Dundee City Council has acted as the lead local authority for the Tayside Business Gateway contract since it was transferred from Scottish Enterprise in 2008. The contract is operated on behalf of Dundee, Angus and Perth and Kinross Councils.</p> <p>The contract is part of a Scottish national network of Business Gateway contracts. The 2011 evaluation of the Business Gateway, endorsed by the Business Gateway Scotland Board and the Scottish Government, recommended that the Lead Local Authority arrangements be continued for the new Business Gateway contracts from the 1 October 2012.</p> <p>The Business Gateway Scotland Board supported by the Business Gateway Operational Network Group developed a national service specification for tendering of new contracts for Business Gateway from 1 October 2012 to 30 September 2015 with the option to extend for two further single years until 30 September 2017. Dundee City Council began the full OJEU two stage tendering process in March 2012.</p> <p>Following over 40 initial notes of interest we received 2 responses to the Pre-qualification Questionnaire (PQQ) and one response to the Invitation To Tender (ITT).</p>	
TOTAL COST	Contract	£3,392,500
	Non Contract Allowances	
	Fees	
	Total	£3,392,500
FUNDING SOURCE	City Development Revenue Budget	
BUDGET PROVISION & PHASING	1 October 2012 - 31 March 2013	£546,250
	1 April 2013 - 31 March 2014	£1,121,250
	1 April 2014 - 31 March 2015	£1,150,000
ADDITIONAL FUNDING	1 April 2015 - 31 March 2016	<u>£ 575,000</u>
	Total	<u>£3,392,500</u>
REVENUE IMPLICATIONS	NONE	
POLICY IMPLICATIONS	NONE	
TENDERS	<p>Following the tendering process the current provider ENET have been successful in becoming the recommended Contractor. The bid represents good value and quality services. ENET are an Enterprise Trust and a non profit distributing organisation who were recently awarded Enterprise Agency status for Tayside from the Scottish Government (prior to this year they only had this status in Grampian). Therefore, in addition to the Business Gateway national services and local services as prescribed in the ITT, ENET are offering some value added services at no additional cost eg:</p> <ul style="list-style-type: none"> • ENET intend to hold a national Youth Enterprise Conference in Dundee in November 2012; • they will run an annual Youth Enterprise Challenge for Young People from across Tayside and Grampian; and • they are involved in running programmes for the young unemployed. <p>The Local Authorities have been very satisfied with the performance and delivery of service provided by ENET over the last 4 years.</p>	

CLIENT	CITY DEVELOPMENT DEPARTMENT		
	<u>Tenderers</u>	<u>Tender</u>	<u>Corrected Tender</u>
	ENET	£3,392,500	£3,392,500
RECOMMENDATION	To accept the tender from ENET.		
ALLOWANCES	Professional Fees		<u>£3,392,500</u>
	Total		<u>£3,392,500</u>
SUB-CONTRACTORS	None		
BACKGROUND PAPERS	None.		