

## READING BOROUGH COUNCIL

### REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	13 DECEMBER 2021		
TITLE:	AWARD OF CONTRACT FOR HEXAGON PANTOMIME PRODUCTION SERVICE		
LEAD COUNCILLOR:	COUNCILLOR ROWLAND	PORTFOLIO:	CULTURE, HERITAGE AND RECREATION
SERVICE:	CULTURE	WARDS:	BOROUGHWIDE
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#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report sets out for approval to award Bidder A the contract to produce The Hexagon pantomime from 2022 for three annual pantomimes.
- 1.2. A production company would be required to deliver the annual pantomime from 2022 onwards. The contract to produce the annual Hexagon pantomime expires in 2021, and a new contract is required for 2022 onwards. The panto is an extremely popular fixture in the annual calendar at the Hexagon and welcomes over 35,000 people a year from across the region, including families and schools.
- 1.3. The award of a new contract, well in advance of the first production under the terms of the new agreement, is necessary to enable discussions and decisions regarding a number of elements of the production (including title, casting, ticket prices etc) to allow for tickets to be released for sale during the 2021 pantomime run.
- 1.4. This report sets out the proposal to award the Contract for the annual seasonal Pantomime provision at the Hexagon from 14 December 2021 onwards to Bidder A to produce the Pantomime for 3 seasons from December 2022 until December 2024, with the option to extend for a further two seasons.
- 1.5. In considering this report and recommendation the Committee should take into account the additional information on the evaluation and financial detail of the successful bid which is set out in a report to be considered in closed session.

#### 2. RECOMMENDED ACTION

- 2.1. To approve the award of contract to Bidder A to produce the annual pantomime at The Hexagon for the next three seasons from 2022, with the option to extend for another 2 seasons.

#### 3. POLICY CONTEXT

- 3.1. The Hexagon, Reading's largest entertainment venue, has a remit to present a wide-ranging and eclectic programme throughout the year. The pantomime is the most important part of the venue's programme, with over 35,000 people attending a year.

- 3.2. A procurement process was adopted for the award of the Pantomime production contract. This was a sub-threshold concessions contracts run in compliance with the Concessions Contract Regulations 2016.
- 3.3. There were 11 expressions of interest:
  - One opted out of bidding
  - Two indicated intention to bid but did not submit
  - One submitted
  - Seven did not indicate their intention either way.
- 3.4. Of the two that indicated intention, neither contacted RBC regarding technical difficulties that would have permitted late submission under our CPRs.
- 3.5. The following criteria were used for evaluating the Quality of the submission - 70% of total score:
  - Key Staff and Experience
  - Organisational Structure
  - Technical
  - Marketing
  - Social Value
- 3.6. Pricing was evaluated using a pricing model based on ticket price, schedule and potential ticket sales.

## 4. THE PROPOSAL

### 4.1. Current Position:

- 4.2. There is currently an agreement to produce an annual pantomime. The last few years have seen growth in box audience numbers and gross box office takings for the pantomime at The Hexagon. The shows have been well received by both audiences and reviewers, with a positive pattern of retention from one year to the next. The pantomime sells at 85% capacity on average, with over 35,000 people visiting a year, we attribute this to the positive partnership between the producer and The Hexagon.

Reviews for previous pantomimes:

*"The Hexagon will be cleaning up this year with a show that's fun, festive and very silly"*

~ Muddy Stilettos

*"Aladdin is a magical triumph for The Hexagon"* ~ The Wokingham Paper

*"Absolutely amazing, the best panto we've seen in a long time"* - Audience member

*"Best panto I've seen, I'm still smiling"* - Audience member

- 4.3. Under the terms of current agreement, the production of Beauty and the Beast, in 2021, will be their last production. This will be the 10<sup>th</sup> production presented in conjunction with the current producer.

### 4.4. Options Proposed

- 4.5. It is essential to have an experienced pantomime producer engaged who is enthusiastic about working with us in the future, and that also has a proven track record in other venues of a similar size. The annual pantomime is the single most important part of the programme for both income generation and venue reputation.
- 4.6. The industry has seen changes with regard to producers in this field, this was evident before the pandemic. The number of producers suitable for a venue of the Hexagon's size is small. This is reflected in the amount of interest in the tender.

- 4.7. Given the uncertainty regarding the events industry post pandemic and the financial risk inherent in the scale of the show being delivered successfully, the decision to award to Bidder A makes both financial and artistic sense. Bidder A's submission is very strong and would have been very difficult to better even with alternative options submitted.
- 4.8. As there has been one submission from a trusted supplier with a track record in producing successful shows on time and in budget, the decision to appoint is based on experience of the producer as demonstrated in their bid.
- 4.9. As the Council will be entering into a Concession contract with a commercial supplier to deliver an income generating service, the contract will be based on an income share. The value of the contract will be determined by ticket sales and the resulting gross box office receipts.
- 4.10. **Other Options Considered**
- 4.11. Two alternative options were considered: a) to not produce a pantomime, but instead programme the venue with another type of event; and; b) to not produce a pantomime and to close the venue for the duration of the seasonal period.
- 4.12. Neither of these options are recommended as the production of a Pantomime carries the greatest opportunity for revenue and profit from both primary and secondary income streams for the Council and so this is deemed to be the most appropriate option to follow. For contract award, we also have to determine if a bona fide process was run, and sufficient confidence was gained from the bid to award without conditions. In this instance the high score can give the Council good confidence in the provider's bid, that the Panel did not note any conditions of award due to no concerns being highlighted through the evaluation process, and the evaluation was independently and objectively facilitated under the support of the Council's Corporate Procurement & Contracts team, suggesting that to nullify the process was be entirely inappropriate as sufficient controls and measures were in place to recommend award.

## 5. CONTRIBUTION TO STRATEGIC AIMS

5.1. Reading Borough Council's vision is:

*To help Reading realise its potential - and to ensure that everyone who lives and works here can share the benefits of its success.*

5.2. The recommendations of this report contribute to the Corporate Plan Themes in the following ways:

### Healthy environment

- The venue is in the town centre and is easily accessible by public transport.
- Participating in cultural events is known to be a positive activity for wellbeing and mental health.
- Sets, costumes and props are reused by Bidder A. The venue also has removed single use plastics from its public offer and recycles glass and cardboard.

### Thriving Communities

- The pantomime brings communities together, the show is designed with the audience in mind and is at the heart of the town's cultural provision.

- There is a range of prices including reduced school rates and cheaper opening weekend prices to appeal to all.
- The venue is a large local employer, during the pantomime local recruitment takes place, with many staff employed as their first job in the arts.

#### **Inclusive economy**

- Pantomime is, by its nature, inclusive. It is one of the only shows which the whole family, regardless of age, can come to and enjoy each year.
- The schedule includes performances tailored for audiences with additional needs such as Relaxed Performances, Signed Performances and Touch Tours, where the set is available to touch for people with vision impairment.
- Open auditions are held for all children to take part in the show, regardless of background, training etc.
- The Hexagon is the largest cultural venue in Reading and the pantomime is the largest audience at the venue, generating substantial amounts of income in ticket sales and food and drink sales.
- It provides an enormous draw for regional and national visitors to Reading, proving economic benefits for the town centre retail, hospitality and travel sectors.

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

- 6.1. The direct environmental and climate implications related to this contract rest with the RBC as the venue managers, rather than Bidder A. We are proactively seeking investment to schedule in decarbonise works which will reduce the key environmental impacts of the venue's operation. Bidder A in their role as visiting company, will have limited initial direct impact on environmental output, however the during the duration of the contract the planned works at the Hexagon will positively impact the pantomimes production. Social Value including environmental impacts were assessed as part of the bid submission scoring a mark of "good".

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

- 7.1. Bidder A prepares various educational resources for children and schools. There will be a wide-reaching promotion of the pantomime with the aim of including all communities (whether that be on the stage as performers or as customers). The schedule includes performances tailored for audiences with specific needs such as Relaxed Performances, Signed Performances and Touch Tours (ability to have a preview of the set for the visually impaired)

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1. As the proposal relates to service improvement, any impact on equality is likely to be positive and it is not considered that an Equality Impact Assessment is relevant to the decision at this stage.

## **9. LEGAL IMPLICATIONS**

- 9.1. The contract was tendered in accordance with the Councils Contract Procedure Rules and the Concession Regulations 2016 and the tender received evaluated in accordance with the evaluation criteria detailed in the tender documentation. Although only one tender was received the tender was open to all to submit a tender and therefore has been conducted via an open, transparent process with equal treatment to all.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 This report seeks approval to award Bidder A the contract to produce The Hexagon pantomime from 2022 for 3 annual pantomimes. The overall estimated contract price is provided for within the existing budget. The financial impact of any price variance will be incorporated as part of the budget process for future years, if necessary.
- 10.2 The proposed decision to award the contract to Bidder A to produce The Hexagon pantomime, is expected to result in no additional budget pressures.

## **11. BACKGROUND PAPERS**

- 11.1. None