

<b>Subject:</b>	<b>Procurement of Brighton Centre Hosted Ticketing System</b>		
<b>Date of Meeting:</b>	<b>7<sup>th</sup> March 2019</b>		
<b>Report of:</b>	<b>Executive Director, Economy Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Howard Barden</b>	<b>Tel: 01273 292646</b>
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<b>Wards affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report provides the committee with background information on the procurement of a hosted ticketing system for the Brighton Centre, which is a managed ticketing system hosted by a third party operator on behalf of the venue.

The Council seeks to invite bidders to respond to an Invitation to Tender for the provision of a hosted ticketing system for the Brighton Centre, the system must include: delivery, installation, training and support. The software system must have multi-venue and multi-event type capabilities, customer relationship management and marketing functionality.

**2. RECOMMENDATIONS:**

- 2.1 That Committee gives delegated authority to the Executive Director Economy, Environment & Culture to procure and award a contract for a hosted ticketing system for the Brighton Centre for an initial term of 5 years with the option to extend for a further 2 years .

**3. BACKGROUND INFORMATION**

- 3.1 The Brighton Centre (the 'Venue'), owned and operated by Brighton & Hove City Council, is located in the heart of the city of Brighton on the seafront. It is one of the largest purpose-built conference and entertainment venues in the South East of England with a maximum capacity of 5,500; and is an important income stream for the Council.
- 3.2 The Venue has an annual turnover in ticket sales of approximately £10million, holding on average 90 'live' events per annum, attracting 250,000 ticket sales. It holds a range of events including live music, comedy acts, classical concerts, theatre shows as well as hosting conferences and exhibitions.
- 3.3 The service is conducting an open tender process for a hosted ticketing system that will meet the demands of our annual turnover of ticket sales, Customer Relation Management system (CRM) and Marketing requirements, increase

revenue and create new revenue streams, and offer a world class level of service to the Venue and our customers.

- 3.4 The Venue operates with in-house Box Office management and counter sales staff and therefore the system will need to provide all necessary hardware, software, systems, ticket stock and other peripherals required to establish and operate the system at the Venue and will otherwise be responsible for all event set up and all ticket sales not via the in-house Box Office, and will supply an appropriate level of account management to deliver this.
- 3.5 The contract would be a concession agreement with a potential income value to the Concessionaire of approximately £300,000 p.a. (£2.1 over 5+2 years).
- 3.6 To achieve the Brighton Centres requirements the system will need to provide;
- On-site Box Office equipment as required including an on-site hosted server, and full technical support of this equipment
  - The provision of a fully integrated Box Office system, including point of sale functionality, account reporting and inventory management
  - An Access Control System reducing the risk of potential fraudulent ticket activity
  - A fully managed ticketing service with dedicated account managers for ticketing and marketing
  - A fully supported solution with a team of highly experienced and qualified individuals who will be able to offer advice and maintenance support for the duration of the contract term, including training for staff, on-going annual technical support with options of a 24/7 out of hours technical support
  - Ticket barcode scanner capability to serve as a ticket authentication tool and all associated hardware and software
  - Hardware and software repairs and upgrades, including any additional training required by Venue staff
  - Venue branded ticket stock
  - Venue branded web pages which allow the ability to order tickets using any computer's browser, tablet or smart phone and can configure interactive seating maps, mobile and print at home tickets
  - Dedicated local rate 0844 telephone booking line
  - Live ticket analytics systems
  - Marketing tools including e-marketing software and social media integration
  - Point of sale marketing data-collection option
  - Powerful marketing and distribution support, including Event-by-Event support when required to achieve sales targets
  - A CRM tool designed to understand, analyse and extend the knowledge of the customer base
  - Full financial management of all ticket sale income
- 3.7 The system must also offer;
- Excellence in customer service and provide customer service facilities via email, website, social media and telephone

- The opportunity for increasing revenue streams through wider reach and higher ticket sales, and opportunities to create new revenue stream
- Commitment to research and development in terms of new technologies to improve the ticketing landscape for Venues and from a customer point of view
- Commitment to developing the online ticket purchasing landscape for Deaf and disabled customers

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The current service is supplied to the Venue by Ticketmaster. The service provided is a hosted ticketing system, with a service delivery of approximately 250,000 tickets per annum.
- 4.2 The Venue has operated a hosted ticketing service for the past 20 years, this form of ticketing operation and fulfilment is generally accepted as best industry practice.
- 4.3 By operating the ticketing system via a third party operator, with the appropriate scale in selling tickets in volume and with ongoing technological solutions, it gives the Venue the capacity to sell tickets without risk and ensures that we have the relevant account management support to offer our clients and customers the best and easiest solution in terms of ticketing sales.
- 4.4 A review was undertaken 5 years ago to look at bringing the ticketing system in-house. The cost of purchasing the relevant software, hardware and the cost of ongoing upgrades to ensure the system was up to date, alongside the need to consider placing infrastructure in place such as a call centre to ensure that the operation could cope with large show on sales, it was considered that the cost was prohibitive. Another factor that was considered was that by taking the ticketing system in-house the risk of operation and any potential failures in operations falls to the service provider, by appointing a third party operator these risks are negated.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 None

#### **6. CONCLUSION**

- 6.1 By appointing a third party operator to provide a hosted ticketing system for the Brighton Centre, it will allow the Venue to continue to provide a fully supported international standard ticketing system, which will continue to provide our customers with a seamless process when purchasing tickets. It will also provide a system which is technologically up to date, without risk and will provide the council with a significant income stream.

#### **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The Brighton Centre revenue budget for 2018-19 includes a commission income budget of £0.230 million which has been met by the existing contract. Based upon current and historical income levels, the new contract will seek to achieve an annual income of at least £0.300m.
- 7.2 It is important to continue to obtain the highest possible income to enable services to achieve their budgetary targets and contribute towards the council's overall financial position. The Brighton Centre budgets will be reviewed as part of the Targeted Budget Monitoring (TBM) process following the award of a new contract.

*Finance Officer Consulted: Gemma Jackson*

*Date: 08/02/19*

### Legal Implications:

- 7.3 The value of this contract is under the threshold (£4,551,413) so the Concession Contracts Regulations 2016 do not apply. The contract does however need to be procured in accordance with the council's contract standing orders.

*Lawyer Consulted: Alice Rowland*

*Date: 11/02/19*

### Equalities Implications:

- 7.3 None directly related to this report.

### Sustainability Implications

- 7.4 None directly related to this report.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

None

### **Documents in Members' Rooms**

None

### **Background Document**

None