

27th May, 2016

Elizabeth Kerr

By email: [REDACTED]

Dear Ms Kerr,

Official information request for details regarding contracts with Firebrand Holdings Ltd.

I refer to your official information request dated April 18, 2016. The answer to each question is provided in [blue text](#) below.

1. DCC Communications and Marketing

- a) How many contracts for supply have been awarded to the company Firebrand in the period 1 Jan 2015 to 18 April 2016 ? Please outline the services supplied.

[None](#)

- b) In regards to question 1., how many of these contracts for supply did Not go through an open tendering process in the period from 1 Jan 2015 to 18 April 2016 ? Please outline the services supplied.

[None.](#)

- c) In regards to question 2., in each case why wasn't an open tendering process utilised?

[Not applicable.](#)

[Please note that communications staff have the skills to provide most digital communications and website services in-house.](#)

2. Delta Utility Services Ltd (the Council owned company)

- a) How many contracts for supply have been awarded to the company Firebrand in the period 1 Jan 2015 to 18 April 2016 ? Please outline the services supplied.

[None.](#)

- b) In regards to question 1., how many of these contracts for supply did Not go through an open tendering process in the period from 1 Jan 2015 to 18 April 2016 ? Please outline the services supplied.

[None.](#)

- c) In regards to question 2., in each case why wasn't an open tendering process utilised ?

[Not applicable.](#)

[Although you did not ask this question, I can advise for completeness that Enterprise Dunedin \(formerly known as the Economic Development Unit\) has awarded two contracts to Firebrand in the period from January 1, 2015 to March 18, 2016. These](#)

contracts were to develop a set of online reporting forms for the website and to design slides and posters for promotional purposes. These contracts were not put out to open tender because the value of each contract was minimal (and below the threshold provided in the Council Procurement Policy) and also because the contractor has provided these services since 2013.

- d) Has any other DCC controlled entity engaged the services of the company Firebrand in the period 1 Jan 2015 to 18 April 2016; if so have any of those contracts awarded for services Not followed an open (public) tendering process; and if so why not ?

Other Entities

All the entities that are more than 50% owned by Dunedin City Council are listed below:

Dunedin City Holdings Ltd
Dunedin Venues Management Ltd
Dunedin (New Zealand) Masters Games Trust
Dunedin Venues Ltd
City Forests Ltd
Dunedin City Treasury Ltd
Aurora Energy Ltd
Otago Power Ltd
Delta Utility Services Ltd – reply already received as above.
Lakes Contract Services Ltd
Taieri Gorge Railway Ltd

We are awaiting responses in respect of those companies and their responses will be collated and forwarded to you once all have been received. This aspect of your request has been put on hold while we consult with these companies. Therefore, we are extending our response date a further 20 working days, to June 27, so that we may complete the processing of this request.

3. Economic Development Unit (now known as Enterprise Dunedin):

- a) How many contracts for supply have been awarded Not using an open tendering process in the period from 1 Jan 2015 to 18 March 2016?

Contracts for this unit (and for all of Council) are not put out for open tender unless their value exceeds \$100,000, or \$25,000 where our procurement policy requires it. Given the volume of transactions, compiling an answer to this question will exceed your "3 hours free" research allocation. Therefore, please advise if you wish to refine your request or if you wish to receive an estimate for the costs of research.

- b) In regards to question 1., what are the names of the successful contractors/suppliers and what did their contracts provide for supply?

This would require significant collation and will attract a charge for staff time. As above, compiling an answer to this question will exceed your "3 hours free" research allocation. Therefore, please advise if you wish to refine your request or if you wish to receive an estimate for the costs of research.

- c) In regards to questions 1. & 2., in each case why wasn't an open tendering process utilised ?

Council's procurement policy, adopted on December 14, 2015, states:

Procurements with a cumulative value of more than \$5,000 and less than \$25,000 require at least two written quotations.

Procurements with a cumulative value of more than \$25,000 and less than \$100,000 require at least three written quotations (where three eligible suppliers exist) and approval from the Procurement Manager prior to going to market.

Procurements with a cumulative value of more than \$100,000 require a RFP process and a Tender Board as set out in the purchasing procedures.

In some situations, a deviation from the Council's standard procurement processes may be necessary because:

- (a) There is only one supplier in the market, or*
- (b) A different procurement method is required by legislation; or*
- (c) A unique, urgent or emergency situation has arisen where immediate decision-making is required and is in the interests of ratepayers.*

As quoted in the Council Procurement Policy above, only contracts with a value of more than \$100,000 automatically go through an open tender process, and contracts with a value of between \$25,000 and \$100,000 may go to open tender or use competitive quotes (with approval from the Procurement Manager). Most contracts and purchases made by Enterprise Dunedin, and Council as a whole, would be of low value and not put out to open tender.

4. Grow Dunedin Partnership:

- a. How many contracts for supply have been awarded Not using an open tendering process in the period from 1 Jan 2015 to 18 March 2016 ?
- b. In regards to question 1., what are the names of the successful contractors/suppliers and what did their contracts provide for supply ?
- c. In regards to questions 1. & 2., in each case why wasn't an open tendering process utilised ?

As above, compiling an answer to this question will exceed your "3 hours free" research allocation. Therefore, please advise if you wish to refine your request, or if you wish to receive an estimate for the costs of research.

5. The Digital Community Trust (DCT) and Digital Office Ltd (The Digital Office), from the date of the inception of The Digital Office:

The Digital Community Trust is not an entity with the legal standing to enter into contracts, therefore it has not engaged in any tendering or other procurement processes. We are consulting with the Digital Office on the answers to your questions below. This aspect of your request has been put on hold while we consult with them. Therefore, we are extending our response date a further 20 working days, to June 27, so that we may complete the processing of this request.

- a) How many contracts for supply have been awarded to Firebrand since the inception of The Digital Office ?
- b) How many of these contracts (see item 1.) were awarded via an open tendering process ?
- c) How many of these contracts (see item 1.) were awarded not using an open tendering process ?
- d) In regards to item 3., in each case, why wasn't an open tendering process utilised ?

6. Digital Community Trust (DCT) – Digital Office Ltd (The Digital Office) : see GigCity Dunedin

We are consulting with the Digital Office and the Digital Community Trust on the answers to your questions below. This aspect of your request has been put on hold while we consult with them. Therefore, we are extending our response date a further 20 working days, to June 27, so that we may complete the processing of this request.

- a) How many contracts for supply have been awarded Not using an open tendering process in the period from 1 Jan 2015 to 18 March 2016 ?
- b) In regards to question 1., what are the names of the successful contractors/suppliers and what did their contracts provide for supply ?
- c) In regards to questions 1. & 2., in each case why wasn't an open tendering process utilised ?
- d) Has the registered company Firebrand been awarded contracts by any of the DCC-related entities bullet-pointed above, in the period from 1 Jan 2015 to 18 March 2016 ?
- e) How many contracts for supply have been awarded to Firebrand, Not using an open tendering process in the period from 1 Jan 2015 to 18 March 2016 ?
- f) In regards to the last two bullet points, in each case why wasn't an open tendering process utilised ?

7. I understand Firebrand supplied services to Greater Dunedin (now defunct) election campaign(s) in a previous years. Is Firebrand (a usual supplier to DCC ?) currently in discussion with Dave Cull about supplying services to his mayoral campaign for the local body elections in October 2016 ?

All Mayoral electoral campaigns are conducted privately using the candidate's own resources and finances, as instructed by the office of the Auditor General. Information about the Mayor's private election campaign is not available to either council staff or the public, and does not fall under the provisions of the Local Government Official Information and Meetings Act 1987. Therefore, your request is declined under section 17(g) as the information is not held.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact me by return email.

Yours sincerely

Arlene Goss.