

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	03 December 2014	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2678
TITLE:	Procurement of Leisure Contract	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		

1 THE ISSUE

- 1.1 The award of long term contracts for the development, management and operation of the Council's 1) Leisure Facilities and 2) Golf Courses.

2 RECOMMENDATION

- 2.1 The Cabinet delegates authority to the Strategic Director for Place in consultation with the Cabinet Member for Neighbourhoods, Cabinet Member for Resources and s151 officer to award the contract to the preferred bidder. This authority extends to agreeing a lease, or other appropriate arrangements, with the Recreation Ground Trust and all other decisions that may be required to secure the contract.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The procurement seeks significant investment into the Council's leisure facilities. This is proposed to be funded as follows
- (1) Up to £12 million Corporately Supported Council Borrowing which is expected to be funded from increased income through the contract in the form of a payment back to the Council from the selected operator. This is being considered by Cabinet for inclusion in the February 2015 budget report to Council and will be formally approved through the Council's capital approval processes.
 - (2) A minimum of £3 million contractor capital finance

- 3.2 This is expected to deliver improvements to Bath Sports and Leisure Centre (c. £7.5 million) and a new Leisure facility in Keynsham (c. £7 million) to replace the current leisure centre with other small improvements made to the other sites.
- 3.3 The details of the financial implications and contract length will be finalised through a dialogue process with bidders and final discussions with the preferred bidder once selected.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 Children, public health & inequalities

5 THE REPORT

5.1 The procurement process to date has involved :

- Successful evaluation of PQQ with responses from 10 bidders
- Four leading industry contractors shortlisted for lot 1 (leisure facilities) and two for lot 2 (Golf Courses)
- Contract specification and all associated documentation circulated to bidders on time
- The Invitation to Submit Detailed Solutions was sent to shortlisted bidders on the 22nd August 2014
- All 4 bidders submitted a bid by the deadline of 22nd October 2014 for lot 1
- One bid was received for lot 2, with the remaining shortlisted contractor declining to bid
- Bids received are currently being evaluated

5.2 Following a shortlisting exercise, it is the intention of the Project Team to reduce the number of bidders to 2 and then to undertake a targeted dialogue process which will last approximately 3 weeks. This will be conducted in December 2014 and early January 2015.

5.3 The Project Team will then call for final tenders from the 2 remaining bidders. It is anticipated at this point that final bids will be returned in February 2015. The Project Team will evaluate the bids and a report to the Project Gateway Board is anticipated for end of February 2015 for the award of Preferred Bidder to be made.

5.4 Award of contract is anticipated for the end of February 2015 and a contract commencement date of 1st July 2015.

5.5 The evaluation process is based upon a quality/price/risk matrix that has been externally verified and sign off by the Leisure Procurement Project Team.

6 RATIONALE

6.1 A robust evaluation process, based on ensuring the delivery of Council priorities has been agreed to determine the preferred bidder ensuring a competitive process which will result in the best possible outcome for the Council.

6.2 A delegated decision is requested as the timescale for awarding of preferred bidder and award of contract is required in January when there is no Cabinet Meeting scheduled.

7 OTHER OPTIONS CONSIDERED

7.1 No other options have been considered due to the timescales involved

8 CONSULTATION

8.1 Cabinet Member for Neighbourhoods, Strategic Director of Place, Divisional Director Environmental Services, Section 151 Officer, Monitoring Officer, Procurement, Finance.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	
Please contact the report author if you need to access this report in an alternative format	