

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	11th February 2021	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3265
TITLE:	Decision on award of a contract to a new operator for the Approach Golf Course site following a procurement process	
WARD:	All	
LIKELY TO BE TAKEN IN EXEMPT SESSION		
List of attachments to this report: Please list all the appendices here, clearly indicating any which are exempt and the reasons for exemption: Appendix 1 - Tender report for Approach Golf Course Procurement Process – EXEMPT due to commercial sensitivity and procurement regulations of confidentiality during a live process. To be published once a preferred bidder has been appointed.		

1 THE ISSUE

- 1.1 Following Decision E 3201 on July 22nd to run an open procurement exercise to seek a new operator for the Approach Golf Course site this report sets out the process followed and makes a recommendation to appoint a preferred bidder.
- 1.2 The decision also resolved to delegate to the Director of Environment authority to appoint a contractor in accordance with the Council's prescribed governance and procurement process in consultation with the Cabinet Members for Finance and Communities
- 1.3 Once a preferred bidder is appointed they will engage with the local community on their proposals before final contracts are signed to consider refinements to their tender. The tender will however have to remain substantially similar to that submitted and evaluated.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Note that Company A has been selected as the Council's preferred bidder to operate the Approach Golf Course site. Company A submitted the most advantageous bid in accordance with the Council's evaluation criteria as explained in section 3.9-3.11.

- 2.2 Consider whether to support the appointment of the highest scoring bidder or to choose not to proceed with the process.
- 2.3 Consider how Members may wish to engage and support the community engagement process ahead of final contracts being signed.

3 THE REPORT

Procurement Process

- 3.1 The Council ran a market engagement exercise in August, via a PIN (Prior Information Notice) inviting expressions of interest and provided potential Tenderers with the opportunity to respond to an engagement questionnaire, for the provision of Facility Development and Operation at Entry Hill and The Approach. Details of the engagement process are shown below.
- 3.2 In line with the procurement process for an OJEU Competitive Dialogue Tender the OJEU advert was published on the 9th October 2020 via the e procurement system Pro-Contract, used by the council to advertise high value contract opportunities. 1 company responded to the Invitation to Submit Initial Tenders (ISIT), which included a Supplier Selection Questionnaire. The sole bidder engaged in the initial dialogue process.
- 3.3 The Council then re-issued the closed/invited tender, in line with the procurement process, on the 7th December 2020 via the e procurement system Pro-Contract.
- 3.4 All suppliers who had contributed to the engagement process and any other suppliers who had expressed an interest in the project were invited to the tender process. This included a number of suppliers who were recommended to the Council by interested parties.
- 3.5 The tender information and specification required either golf or golf derived activity and efforts were made throughout the process to engage with golf operators. More than 5 golf operators, or likely golf operators, were contacted either as part of the engagement, during the tender process, or both. None returned a tender and gave a variety of reasons for not doing so. Ultimately, the conclusion has to be drawn that golf operators do not see the site as viable for a traditional golf business. The submission deadline for returned tenders was 12th January 2021.
- 3.6 Only one company submitted a tender return. The tender has been assessed using a 40% commercial and 60% quality model. The Evaluation Team utilised additional support from within the Council for some technical aspects of the responses. A summary of the evaluation is set out in the table below;

Tenderer	Quality score (out of 100)	Weighted Quality score (%)	Commercial Score (out of 100)	Weighted Commercial score (%)	Total Weighted score %	Ranking
Company A	68	40.8	82	32.80	73.6	1

The tender from Company A has been assessed as offering the most economically advantageous tender.

Evaluation Criteria and Weighting

3.7 The overall Quality/Cost evaluation ratio is 60/40

Quality

3.8 The Quality assessment is made up of the following sub criteria weightings:

QUALITY AWARD CRITERIA & WEIGHTINGS		
1	Delivery Methodology	30%
2	Development Plans	10%
3	More people, More active, More often	25%
4	Climate Change Policy and Climate Emergency	25%
5	Social Value	10%
	Quality Totals	100%

Commercial

3.9 The Commercial assessment is made up of the following sub criteria weightings:

COMMERCIAL AWARD CRITERIA & WEIGHTINGS		
A robust business plan which will not require any Council subsidy	<ul style="list-style-type: none"> • Completion of the Business Plan template in line with the notes provided • Total value of payment made to the Council over the life of the contract, net of any capital finance costs • Robustness of the presented Business Plan and consistency with the Quality question responses 	80%
The value and source of any capital finance required to deliver the proposed outcomes	<ul style="list-style-type: none"> • Completion of the capital finance elements within the Business Plan template • Robustness of the capital finance presented, and consistency with the Quality question responses 	10%

Excess Profit Share proposals	<ul style="list-style-type: none"> • Excess Profit Share proposals for treatment of excess profit above the value shown in the business plan • Proposals to include administration process and payment timings 	10%
Commercial Totals		100%

3.10 The assessment of the final tenders is included within the tender report at appendix 1.

4 STATUTORY CONSIDERATIONS

4.1 Any lease or contract the Council enters into as will need to take into account the legislation regarding the transfer of public open space ensuring best value is achieved and restrictive covenants are put in place to protect the future of the sites and limit future development.

4.2 Sustainability, Natural Environment, public health and inequalities

4.3 Local Authorities are required to follow prescribed rules and regulations for procurement exercises which are designed to ensure a fair and open process for all suppliers. All public procurement must be based on value for money, defined as “the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought”.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The site has historically cost the Council in excess of £30,000 per annum to operate. This is made up of c.£30k per year maintenance costs and a small operational loss in recent years.

5.2 The intention, as stated within the tender documentation, is for a concessionaire to be appointed to remove the subsidy requirement and, potentially, offer an income to the Council, support more people to be more active, more often and to demonstrate how it will support the Council’s agenda on Climate change.

5.3 The preferred bidder achieves these aims ensuring there are no revenue requirements for the project and an income is provided to the Council over the life of the contract.

5.4 This is achieved by transferring maintenance responsibilities for the site from the Council to the new provider and from removing the requirement for Council subsidy required to deliver the current usage on the site as identified in 5.1 and replacing this with a payment to the Council from the preferred bidder.

6 RISK MANAGEMENT

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

7 EQUALITIES

7.1 An Equality Impact Assessment will be completed before the signing of the final contract documents. The preferred bidder will be required to have an equality and disability policy as part of the final contract documents.

8 CLIMATE CHANGE

8.1 As shown in section 3.9 Climate change was one of the key evaluation criteria to ensure that all projects considered how they could contribute to the Council's Climate change agenda.

9 OTHER OPTIONS CONSIDERED

9.1 The procurement process has made an assessment of all of the available opportunities.

9.2 Leave the existing arrangements in place, however, this is not in accordance with the medium-term financial plans of the organisation and the Council would have to seek an operator or run the facilities 'in-house'.

10 CONSULTATION

10.1 S151, Monitoring Officer, Cabinet Member for Resources, Cabinet Member for Neighbourhoods, Ward Councillors, the Council's Parks Team, the Council's Sustainability Team.

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Background papers	Cabinet Decision E3201 July 22 nd 2020
Please contact the report author if you need to access this report in an alternative format	