

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	11th February 2021	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3264
TITLE:	Decision on award of a contract to a new operator for the Entry Hill Golf Course site following an OJEU 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 Entry Hill procurement Process – EXEMPT due to commercial sensitivity and procurement regulations regarding 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 Entry Hill 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 At this stage of the procurement process Council has the option of appointing the highest scoring bidder or choosing not to proceed with the process. Procurement rules do not allow a lower scoring bid to be selected or the ability to select parts of different bids to achieve a different solution.
- 1.4 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 E has been selected as the Council's preferred bidder to operate the Entry Hill site. Company E has submitted the most advantageous bid in accordance with the Council's evaluation criteria as explained in section 3.7-3.9. In the event the Council is not able to conclude final arrangements with the preferred bidder it would seek to conclude final arrangements with the reserve bidder, Company B to operate the Entry Hill site.
- 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. 6 companies responded to the Invitation to Submit Initial Tenders (ISIT), which included a Supplier Selection Questionnaire. 1 supplier was deselected at this stage as their tender was not compliant.
- 3.3 The remaining 5 companies engaged in the dialogue process and were Invited to Submit Final Tenders (ISFT) via the Pro-Contract e-procurement system on 15th December 2020. Although tender returns were planned for 11 January 2021, following the Covid-19 lockdown and requests from tenderers, this deadline was extended to the 14 January 2021.
- 3.4 All five companies submitted final tenders. The tenders have 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 and the moderation meeting was chaired by an independent Procurement Officer. A summary of the evaluation is set out in the table below;

3.5

Tenderer	Quality score (out of 100)	Weighted Quality score (%)	Commercial Score (out of 100)	Weighted Commercial score (%)	Total Weighted score %	Ranking
company A	93	55.8	32.4	13.0	68.8	3
company B	85	51.0	56.5	20.2	71.2	2
company C	60	36.0	26.5	10.6	46.6	4
company D	51	25.5	21.1	8.4	33.9	5
company E	100	60.0	40.0	16.0	76.0	1

3.6 The tender from company E has been assessed as offering the most economically advantageous tender. Approval is therefore sought to conclude final arrangements with and formally award the contract to the preferred bidder E or in default the reserve bidder B.

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%

A public consultation that took place regarding the future of Entry Hill Golf Course which concluded in January 2020 as described in Cabinet report E 3201 from July 2020.

To ensure the results and views expressed in this were taken into account bidders were asked to demonstrate how their proposal would meet the outcomes from the exercise as part of their delivery methodology listed at point 1 in the table above. All bidders were provided with a copy of the consultation report.

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 	80%

	<p>Council over the life of the contract, net of any capital finance costs</p> <ul style="list-style-type: none"> • Robustness of the presented Business Plan and consistency with the Quality question responses 	
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 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 £70,000 per annum to operate. This is made up of £35k-£40k maintenance costs per year and operational loss of £35k-£40k per year.

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.

5.5 Should Capital funds be required to deliver the preferred bid or the reserve bid at final contract agreement these will be funded by grants from external bodies and/or from the substitution of budget from the £385,000 of unspent funds from previously approved leisure budgets to this project. There is also £55,000 of CIL funding allocated to the project in 2021/22 with up to £60,000 of additional funds towards allotment provision on the site if this is delivered.

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 3.8 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 None. The procurement process has made an assessment of all of the available opportunities.

9.2 The Council could decide to retain the existing arrangement. The decision to go to tender was taken following consideration of existing use and the medium-term financial plans.

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	