

RECORD OF EXECUTIVE DECISION

Monday, 15 February 2010

Decision No: (CAB 09/10 1800)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Leisure, Culture and Heritage
SUBJECT:	Selection of Partners for Sport and Recreation Partnership
AUTHOR:	Mike Harris

THE DECISION

- (i) To consider the objections received and to authorise the disposal to the preferred bidder by way of a 15 year lease for Package 2 and an agreed lease for Package 1, the list of properties set out in appendix 1, in order to facilitate the contract awards.
- (ii) To delegate authority to the Executive Director of Neighbourhoods, in consultation with the Executive Director of Resources and the Solicitor to Council following consultation with the Cabinet Member for Leisure,, to appoint a preferred partner for the management and operation of Package 1 (Southampton Municipal Golf Course) in accordance with the framework as set out in confidential appendix 2.
- (iii) To appoint the preferred partner (identified at confidential appendix 3) to manage and operate the leisure facilities identified in package 2 (excluding the grounds maintenance for outlying sports pitches), for a contractual period of 15 years, at or below the level of annual management fee set out in section 9 of confidential appendix 3, and delivering an average net annual saving equal to or greater than the savings figure set out in section 10 of confidential appendix 4.
- (iv) To delegate authority to the Solicitor to the Council, following consultation with the Executive Director of Neighbourhoods and Executive Director of Resources to finalise and enter into contractual arrangements with preferred partners for both package 1 and 2 with contracts commencing on 1st September 2010, subject to the preferred partner for Package 1 fully meeting the criteria set out in confidential appendix 2.
- (v) To approve, in accordance with finance procedure rules, capital expenditure of £198,000 on Improvements to the Athletics Track at the sports centre and £48,000 on Improvements to synthetic turf pitches at the sports centre, provision for which exists in the Leisure, Culture and Heritage capital programme for 2010/11.
- (vi) To approve the preferred way forward for the development of PE and Sport facilities at Chamberlayne Park College and the ongoing relationship with Chamberlayne Leisure Centre.
- (vii) To authorise the Solicitor to the Council following consultation with the Executive Director of Neighbourhoods and the Executive Director of

Resources to do anything necessary to give effect to the proposals contained within this report including, but not limited to, the entering into of agreements, bonds, leases, further advertisement of any property matters and such other matters as are ancillary to or expedient for the completion of the project.

REASONS FOR THE DECISION

Package 1

The Council proposes to let a 12 year contract for the management and operation of the Municipal Golf Course. Following issue of an OJEU notice advertising this opportunity in August 2009, the Council is near completing a short and focussed Competitive Dialogue procurement process. The Pre Qualification and Detailed Solutions stages of this procurement have now been completed.

The Council is continuing to engage in Dialogue with 3 bidders with a view to inviting Final Tenders at the end of February 2010. Following evaluation of these tenders, the Council proposes to identify a preferred bidder who is best able to meet the objectives of the project in their Final Tender. Through the recommended delegated authorities (subject to the framework set out in confidential appendix 2), the Council will ensure that a contract handover date of 1 September 2010 can be achieved.

Package 2

The Dialogue undertaken with bidders has identified that there are a range of benefits to the Council in securing a 15 year partnership for package 2. By securing a partner the project will contribute to meeting the Council's three main outcomes for its Sport and Recreation Services by:

- Increasing participation;
- Providing a sustainable platform of investment that develops the services which includes addressing the repairs, maintenance and major equipment and replacement issues for the life of the contract;
- Creating opportunities to contribute to the City health issues;
- Improving choice for customers by offering for example on line bookings and payment;
- Providing a dedicated resource to develop partnerships and funding for the services;
- Reducing the net subsidy to the Council;
- The Council creating a partnership that will work together to improve and develop its existing leisure facility provision but also explore the opportunity for new provision.

To allow the Council to appoint a preferred bidder and subsequently finalise the contract through a fine tuning stage from late February to the end of April 2010. The purpose of this phase would be to undertake any fine tuning necessary to allow contract completion and meet the handover date target of the 1 September 2010.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. The Council has used Public Sector Comparators (PSC) developed for both packages and refined since the Cabinet report of 28 July 2008 in assessing the suitability of bids against the current financial performance of the Council.
2. Bidders for Package 2 were initially asked to make proposals to carry out the grounds maintenance of facilities at the Sports Centre and outlying sports pitches. Proposals were judged to provide no additional value to the Council and therefore this responsibility will remain with the Council's Neighbourhood Services team.
3. Initially in July 2008 it was proposed to include St Mary's Leisure Centre and Oaklands Swimming Pool in the facilities offered in Package 2. However, these were withdrawn from the package advertised to enable other options to be explored and developed in the future in relation to those sites.
4. A final option is not to pursue the letting of contracts for Package 1 and Package 2. It is felt that not entering into a partnership with partners will fail to contribute to the Council's 3 key objectives for Sport and Recreation. The financial, quality and increased participation benefits outlined in this paper will not be fully achieved by maintaining the current operation model for Sport and Recreation.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15th February 2010

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Results of Call-in (*if applicable*)