RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

***PART 1 – PUBLIC DOCUMENT**

THE AWARD OF THE DESIGN TEAM FOR THE NORTH HERTS LEISURE CENTRE CAPITAL PROJECT

1. **Decision Taken:**

   To award Focus Consultants the contract to act as the Design Team for the North Herts Leisure Centre capital project following a Mini-competition via the Eastern Shires Purchasing Organisation (ESPO) Framework 2664. This award is subject to there being no successful challenge to the proposed award during the Procurement Standstill Period.

2. **Decision Taker:** John Robinson

3. **Date Decision Taken:** 26th March 2015

4. **Summary of Background:**

   At the 16 December 2014 Cabinet meeting a report was presented to propose a programme of improvements and replacements/refurbishments to the structure of North Herts Leisure Centre in order to extend the expected lifespan of the facility, and maintain customer satisfaction. It was explained that the proposals would require significant capital investment which would result in commensurate savings to the revenue budget by reducing the management fee that the current Leisure Contractor (SLL) pay.

   Cabinet agreed the following resolutions: -

   RESOLVED:

   (1) That the proposals relating to North Hertfordshire Leisure Centre, as set out in Resolutions (2) to (6) below, be agreed;

   (2) That the proposed improvements to the existing services and facilities, as stated in Paragraph 10.1 of the report, be agreed in principle, subject to the agreement of Letchworth Garden City Heritage Foundation and the Council's 2015/16 Capital budgets;

   (3) That the extension to the Leisure Management contract for a further five years (2019 to 2024) be approved in principle, as per the terms outlined in the report, which will be more specifically determined following detailed consideration of Stevenage Leisure Limited's submission of a revised tender by the Strategic Director of Customer Services, in consultation with the Portfolio Holder for Leisure;

   (4) That, on completion of the works (more particularly on the opening of the teaching pool for lessons, provided that the café and dance studio works are progressing reasonably), Stevenage Leisure Limited shall pay NHDC an additional £18,000 per month for the entire length of the contract;

   (5) That the changes to the swimming lesson charges and the leisure pool programme, as discussed in Paragraph 7.8 of the report, be supported, to ensure there is an opportunity to further improve the financial performance of the Letchworth Leisure Management contract; and

(6) *That the next stage of procuring of the design team be progressed, on the basis that this will have no additional cost but will save valuable time in the event that the Capital Programme and contract extension is approved.*

REASON FOR DECISION: *To obtain approval and support in principle to the improvements and capital investment into the North Herts Leisure Centre to ensure long term financial sustainability and to make improvements to meet current and future needs of our customers and communities.*

Item 6 was the procurement of the design team, this has been undertaken using a Mini-competition via the Eastern Shires Purchasing Organisation (ESPO) Framework 2664.

The Council received five responses, the results are provided in the following table. Focus Consultants (the winning bidder) have scored the highest when combining both quality and price. Therefore, subject to the Standstill Period and no successful challenge to the award being brought, it is advised that Focus Consultants will be awarded this contract.

Quality Score	61.38	67.03	55.73	70.00	47.59
Finance Score	26.50	18.95	30.00	21.22	28.76
Final Score	**87.88**	**85.98**	**85.73**	**91.22**	**76.35**

5. Directorate: Customer Services

6 Notification Date: 27 March 2015

7. Reason for Decision:

To appoint a design team to assist the Council in project managing the capital improvements to the North Herts Leisure Centre.

8. Other Options Considered:

As tenders received were within budget and of a good quality there are no other options to consider.

9. Consultations:

Consultation has taken place with the Portfolio Holder for Leisure and Stevenage Leisure Limited.

10. Legal Implications:

This award is part of the project to improve NHLC and is aligned with the NHDC Priority of 'Living Within Our Means' as it represents a significant saving on the cost of building a new facility of a similar type.

The Decision Taker signing this Notice has the correct delegated authority to take such decision as a Strategic Director of the Council with authority to exercise responsibility for Leisure Strategy Development in accordance with the North Hertfordshire District Council Constitution Part A Section 14 subsections 14.6.4 (a) (ii) and 14.6.6.(b) (i) (D)4.

The Contractual arrangements currently in place with SLL limit the extensions of the Contract to an initial period of five years plus up to a five year extension either in a whole block, or up to five one year extension periods and mean that timescales on this project, assuming that the Capital Programme and Contract extension are approved, are crucial in terms of costs and income benefits falling within this contract period.

Additional Contracts will need to be developed and managed for the procurement of the proposed improvement works, and must be carried out in accordance with the Council's procurement rules.

11. Financial Implications:

The successful tenderer has provided a cost of £299,758 for undertaking the works that were specified. £193,190 of this sum is required to produce the specification to procure the construction contractor. If the Council decides not to progress with the project following the tender of the construction phase, the Council is still committed to paying the design team for this element of work, even if the work is not then utilised.

12. Risk Implications:

The NHLC provides a financial return to the Council and has significantly improved in the last decade due to the Council investing and improving the services to our customers.

Continued investment is required to ensure the NHLC remain a financial asset to the Council. Lack of investment in the facility could increase the risk that the Council receives less financially favourable bids in future contract procurement processes. The award of this Contract is the first step in ensuring the continued investment.

As set out in 11 above, the commitment of £193,190 for the design team undertaking the work up to the procurement of the construction contract

13. Equalities Implications:

The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5th April 2011. There is a General duty, described in 12.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

Should the proposals to improve the NHLC come to fruition, they will provide greater leisure opportunities, and importantly an increased capacity for people to learn to swim than currently exists, given local waiting lists for lessons.

14. Social Value Implications:

As the recommendations made in this report relate to the award of a public service contract, 'social value' must therefore be captured and reported in accordance with the Public Services (Social Value) Act 2012.

The proposed improvements are made through an existing and highly successful contractual arrangement with Stevenage Leisure Limited, a Social Enterprise; the objects of the charity include widening opportunity for local individuals to participate in healthy leisure, physical and performing arts activities, and in doing so they offer a wide range of local jobs across a range of skills, any surpluses generated through their operations are reinvested into the facilities for the benefit of both clients and staff, and in the reduction of contractual costs for NHDC too.

15. **Human Resource Implications:**
None applicable to this decision notice.

16. **Background Papers:**

16 December Cabinet report item 18 - Proposed Improvements to the North Herts Leisure Centre.

Signature of Decision Taker.....

* Date decision to appear in MIS

Please Note: that *unless urgency provisions apply* EXECUTIVE decisions cannot be implemented until 5 clear working days have elapsed after the decision has been taken to allow for scrutiny call-in.

Call-in does not apply to NON-EXECUTIVE DECISIONS

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