

TONBRIDGE & MALLING BOROUGH COUNCIL
COMMUNITIES and HOUSING ADVISORY BOARD

16 July 2018

Report of the Director of Street Scene, Leisure & Technical Services

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 LEYBOURNE LAKES COUNTRY PARK – DEVELOPMENT OPPORTUNITIES

Summary

This report updates Members on proposals for the potential outsourcing of the management of Leybourne Lakes Country Park. The report updates on the Evaluation Criteria and revised timeframe for Member consideration and approval.

1.1 Background

- 1.1.1 A project for evaluation is currently in the Council's Capital Plan for improved facility provision at Leybourne Lakes Country Park. The scheme identifies potential improvements to include the provision of an education room/facility, general improvements to the water sports facilities/area and the provision of a café. Developer contributions of over £700,000 are currently held by this Council specifically to support onsite developments.
- 1.1.2 Highlighted within the Council's Savings and Transformation Strategy, is the theme of 'Income Generation and Cost Recovery'. With Leybourne Lakes Country Park being a discretionary service, this theme needs careful consideration in relation to the facility, with a long-term ambition for the Country Park to be financially more self-sufficient. Any such considerations need to be balanced with the nature of the Park and its core objectives, as reflected in the Park's recently approved Management Plan.
- 1.1.3 Initial advice on the business case for facility development at the site was sought and supported the Council's initial view that facility development is required and viable, and Members agreed that Oaks Consultancy be appointed to assist the Council in the business/financial appraisal of options linked to capital investment. The Oaks report also clearly recognised that direct delivery by the Council in the future might not offer the best outcomes in terms of improvements, investment and financial return. Oaks strongly recommended that the Council should consider the external outsourcing of the management of Park in accordance with a clearly defined Management Agreement. It is felt that this approach will be the best option to deliver an enhanced customer offer and financial saving to the Council.

- 1.1.4 Following consultation with key stakeholders, the meeting of this Board on the 20 March 2018 Members approved the Head of Terms that will form the basis of the Management Agreement. Members also requested that the Tender Evaluation Criteria be developed to take account of the agreed Heads of Terms and that this be brought to Members of this Board for consideration and approval.
- 1.1.5 During consultation with key stakeholders, including local Members and Parish/Town Councils, the Price/Quality split for the evaluation was discussed and proposed at 40% and 60% respectively. The split was also approved by Members of this Board on the 20 March 2018 and will, therefore, be reflected in the Evaluation Criteria.

1.2 Evaluation Criteria

- 1.2.1 It is proposed that the evaluation of the tenders will be based upon the most economically advantageous tender known as “ MEAT”. This will be assessed on the basis of the best price-quality ratio with the following approved weighting: 40% Cost/ 60% Quality. The detailed components which make up the quality score will be included in the tender documents currently being drafted by Oaks Consultancy, and advice will also be sought from Dartford Borough Council procurement team.
- 1.2.2 Members have previously approved the use of the Open EU Procurement Process. This allows all who wish to do so to submit a tender. In order to manage the evaluation of the tenders more efficiently the process will include a series of threshold criteria which are pass/fail questions so that if these are not met by the tenderers their tender will not be assessed further. These will comprise the mandatory and discretionary exclusions grounds in the government’s standard selection questionnaire, a suitable threshold for financial standing, technical and professional ability (based on references and details of previous contracts), compliance with the Modern Slavery Act, and a requirement to have or obtain adequate insurances.
- 1.2.3 The specific areas to be examined in assessing the qualitative aspects of the tenders are based on the approved Heads of Terms and include;
- Experience and Track Record
 - Management Approach (taking into consideration the Park ‘ethos’ and current approved Management Plan)
 - Conservation Objectives
 - Community Engagement
 - Staffing Proposals
 - Capital Investment and Development

- Events and Activities
- Monitoring and Evaluation of Performance
- Added Value

1.3 Timeframe

1.3.1 A review of the timeframe for procurement has been undertaken taking into consideration the preparation of tender documents, the tender period and other Service/Council commitments. It is proposed that the tender exercise commences this autumn with approval of the selected contractor being considered by this Board in February 2019.

1.4 Procurement

1.4.1 The Council's Contract Procedure Rules will need to be adhered to and liaison has been undertaken with the Director of Central Services in this regard. It has been confirmed that a full EU Tender will be required and that this opportunity would be tendered as a 'Concession'.

1.4.2 It is worthy of note that progressing with a procurement exercise will not commit this authority to a new way of managing and developing LLCP, but it will enable Members to consider and evaluate costed proposals from prospective partners, and compare these to other options.

1.4.3 As with previous Council contract tenders, it is proposed that Dartford Borough Council be commissioned to administer and support this tender process.

1.5 Legal Implications

1.5.1 It is recognised that a number of legal restrictions apply to the site and will need to be confirmed and collated prior to the procurement exercise. Many of these relate to site designations and utilities. Legal Services are currently developing a 'Report on Title' that will highlight all restrictions and will be circulated to tenderers as part of the tender pack. Initial investigations have highlighted two particular restrictions that are worthy of note, these being:

- Berkeley Homes – a covenant was in place to seek Berkeley Homes Permission for new development on site though this fell away after 10 years and, therefore, no longer applies.
- Kent County Council – following the transfer of a section of KCC land (access point off the Ham Hill Roundabout) to the Borough Council, the Borough Council will need to seek KCC's formal consent to proceed. The Councils Property Services team have engaged with KCC who have advised they see no problem with providing the certificate to allow

development at LLCP, subject to the Council meeting their legal and surveyors costs.

1.6 Financial and Value for Money Considerations

- 1.6.1 The potential Capital Plan Scheme for facility improvements at the Park represents a significant level of investment from developer contributions held by the Council. The consultant's previous study on potential income generation identifies opportunities at the site by working in partnership with an external provider. These opportunities relate to both external capital investment and a reduction in the ongoing revenue cost of the facility to the Council.
- 1.6.2 The current revenue cost to the Council of the Park is £115,500 (18/19 original estimate) and if this cost could be significantly reduced, it would represent a welcome contribution to the Council's next tranche of savings in the Savings & Transformation Strategy.

1.7 Risk Assessment

- 1.7.1 The delivery of projects within the Capital Plan is identified in relevant Operational Risk Registers within the Service. A number of existing controls are in place to help deliver projects in accordance with the design brief, on timescale and within budgets. These controls include the preparation of design briefs, use of consultant teams where applicable, compliance with Contract and Financial Procedure Rules, an Officer Study Team approach and regular reports to Management Team and Members.
- 1.7.2 It is important in light of the Council's overall financial position that opportunities are carefully considered to reduce the cost of the facility to Council. To assist the Council in judging the potential financial risk associated with investment in the site, a leading leisure and sport business consultant (Oaks) has been appointed to work alongside the Council, which will assist the Council in making the best decision for the future.

1.8 Equality Impact Assessment

- 1.8.1 Equality will need to be taken into consideration within any new management arrangement and within the design of any new facilities being brought forward.

1.9 Policy Considerations

- 1.9.1 Asset Management, Biodiversity & Sustainability, Community, Procurement, Staffing and Healthy Lifestyles.

1.10 Recommendations

- 1.10.1 It is RECOMMENDED TO CABINET that:

- 1) the Evaluation Criteria as detailed in the report be approved,

- 2) the timeframe be noted and approved as outlined in the report and;
- 3) Dartford Borough Council be commissioned to administer and support the procurement of this contract.

The Director of Street Scene, Leisure & Technical Services confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

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Nil

Robert Styles

Director of Street Scene, Leisure & Technical Services