

<b>NAME OF COMMITTEE</b>	<b>COUNCIL</b>
<b>DATE</b>	<b>17 FEBRUARY 2015</b>
<b>REPORT TITLE</b>	<b>LEISURE SERVICE PROCUREMENT</b>
<b>REPORT OF</b>	<b>NATURAL ENVIRONMENT AND RECREATION MANAGER</b>  <b>FINANCE COMMUNITY OF PRACTICE LEAD</b>
<b>WARDS AFFECTED</b>	<b>ALL</b>

**Summary of report:**

The report summarises the strategic issues the Council will need to consider as part of assessing future leisure provision, including the use of the leisure assets, following the end of the current contract in 2016. The report summarises work to date on assessing future options and recommends embarking upon a joint procurement and contract exercise with South Hams District Council. This would be prepared during spring 2015 and be launched to the market in summer 2015. The outcome of the exercise would be brought back to Council for consideration of final recommendations for securing future leisure provision.

**Financial implications:**

A budget of £30,000 for professional support fees was established by the Council under Minute CM 38 f(i) – 2012/2013. This has been used to fund the appointment of a Leisure Consultant to work with the Strategic Leisure Member Working Group on bringing forward this work. It is anticipated that the preparatory contract work and tender exercise highlighted in this item can be covered from this allocation. The outcome of the contract tender exercise later in the year, and the route pursued, may impact on the need for additional funding requirements (for example specialist legal support) to move to contract conclusion. Any requests for additional funds will be brought to Council.

SHDC is also undertaking a tandem leisure service review and has allocated a comparable sum to procure external advice on issues.

The outcome of the proposed joint procurement and tender exercise identified in this item will have potentially significant capital and revenue impacts and these will be reported back to Council for consideration on completion of the tender exercise.

## **RECOMMENDATIONS: That Council**

- 1. Agree the objectives for future leisure services delivery as set out in paragraph 1.5**
- 2. Offer leisure services as a joint contract for up to 25 years with South Hams District Council to include facilities (and options) as set out in paragraph 6.6. This to include consideration of options for prudential borrowing and to retain an option for separate contracts if required.**
- 3. Agree a joint leisure services procurement exercise with South Hams District Council through the competitive dialogue process**
- 4. Agree that Repair and Maintenance obligations lie with the operator(s)**
- 5. Agree that the procurement exercise include an option to assess local operation of the Parklands Leisure Centre at Okehampton. That in addition local input to service delivery shall be secured through local participation in Annual Service Development Plans.**
- 6. Establish a joint Leisure Services Board with South Hams District Council based upon an agreed Joint Procurement Protocol. Membership to consist of nominated WDBC members and comparable SHDC representation. Detailed arrangements to be delegated to the Natural Environment and Recreation Manager in consultation with the Leader of the Council and Chair of Community Services Committee. The Board to be supported by an officer working group.**
- 7. Agree procurement preparation and evaluation to be timetabled as set out in para 11.1 and Appendix 1**
- 8. Instruct Officers to appoint specialist leisure expertise (or other expertise as required) to support the procurement and evaluation of leisure services in accordance with procurement procedures and Financial Regulations**
- 9. Instruct Officers to conclude liaison with stakeholders and interested parties in order to refine third party details for inclusion in procurement**
- 10. Delegate detailed arrangements for procurement and evaluation to the Natural Environment and Recreation Manager in consultation with the Leader of the Council, Chair of Community Services Committee, Board Members and relevant Ward Members (where there are location specific issues).**
- 11. Require a further report to Council on the outcome of the procurement exercise and tender evaluation setting out recommendations for future service arrangements.**

## Officer contact:

Ross Kennerley, Natural Environment and Recreation Manager

Tel: 01803 861379;

Email: [ross.kennerley@swdevon.gov.uk](mailto:ross.kennerley@swdevon.gov.uk)

Lisa Buckle, Finance Community of Practice Lead

Tel: 01803 861413

Email [lisa.buckle@swdevon.gov.uk](mailto:lisa.buckle@swdevon.gov.uk)

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## 1. BACKGROUND

- 1.1. The Council has operated leisure and recreation services for many years. These have fluctuated in scope but are now delivered through the operation of two leisure centres and a range of associated outreach community and sports development activities.
- 1.2. The current contract for delivery with Leisure in The Community ends in November 2016 and the Council needs to agree its long term approach in the light of major external changes and future financial pressures. The challenge is to try to anticipate what public sector leisure provision should look like in the period up to, and indeed beyond, 2026.
- 1.3. In order to shape consideration of future delivery reports were submitted to Community Services Committee in June 2012 and Resources Committee in July 2012. These set out background issues and whilst relevant issues are re-iterated in this item members are referred back to the original reports for full information. A key step was the establishment of the Strategic Leisure Member Working Group. This group has met regularly to steer the review process and has supported the following.
  - Scoping and review of existing facilities and contract
  - Establishing parameters for future delivery
  - Consultants (RPT Consulting) appointed
  - Stakeholder liaison and soft market test
  - Recent joint meetings with SHDC members to shape options
  - Options analysis to support Council consideration
- 1.4. The process has been assisted by the retained consultants and the issues set out in this item are explored in detail in a “Leisure Options Review” report submitted by the consultants. This review document is available to Members on request from Member Services. Because it includes sensitive commercial information relating to the current contract, stakeholder liaison and soft market test it is confidential. Disclosure of the contents outside the Council could jeopardise the outcome of the procurement exercise.

- 1.5. A key issue at the heart of consideration is whether leisure provision in its current form is going to be a future core business for the Council, as it is a discretionary service, and what will be an affordable level of service provision in the longer term. This decision will be a difficult judgement as there is a lack of certainty about the level of funding available for discretionary services in the medium/long term, particularly in view of anticipated changes to the way local government is funded. Nevertheless the working group considered that leisure services was an important public service with tangible community and health outcomes and as such there is public benefit in seeking a cost effective manner of continuing the service. Leisure activities align with Connect Strategy priorities around healthy communities and are a cornerstone of emerging *Our Plan* priorities around the delivery of Health and Wellbeing. Through discussion, and feedback, the working group recommend that a procurement exercise for leisure services is undertaken to test the market based on the following objectives:-
- Deliver a sustainable service with controlled costs and clear community benefit outcomes
  - Allow for local participation in future delivery
  - Achieve reductions and minimised revenue costs
  - Draw in capital investment
  - Look for long term arrangements with responsibility for centres passing to the operator
  - Pursue joint procurement and contract with South Hams District Council
  - Seek opportunities for future efficiencies, flexibility and service Improvements

In particular the following objectives are proposed for the two centres

**Okehampton.**

Seek an affordable solution to allow Parklands to thrive and build on current success. Future operation is open to a local bid and local input into establishing the future specification will be welcomed

**Tavistock.**

Seek an affordable solution to secure future operation of the leisure pool. The Council will look for innovative solutions to secure the necessary funding. Anticipate a national operator but welcome local input into establishing the future specification

- 1.6. Further details on the background to these objectives, and the recommendations, are covered in this item and supporting consultants report. It does need to be noted at the outset that delivery of leisure services is a complex activity. The two West Devon centres operate in competition with the private sector and alongside community and college facilities. Existing landowning, operational and partnership arrangements are complicated and Meadowlands, in particular, is aging and in need of investment. The Council also awaits with interest the outcome of the proposal for an Olympic Pool at Mount Kelly College.

- 1.7. Delivering a sustained service will require political and operational will. The proposed procurement exercise recommended in this item will set a clear direction from the Council – and allow the objectives proposed in 1.5 above to be tested.
- 1.8. A final decision on the future contract arrangements will be brought back to members for consideration once the procurement exercise and evaluation has been completed.
- 1.9. The work to date has been undertaken across both West Devon and South Hams with a view to minimising preparatory costs and maximising long term savings.

## **2. CURRENT FACILITIES**

- 2.1 The Council operates two leisure centres. A summary of the facilities is given along with key land, grant and operational matters.

### **Parklands, Okehampton**

- 4 Court Sports hall, changing rooms, dance studio and gym built 2003
- 4 lane 25m indoor pool with movable floor
- Cafe
- Sport England Grant restrictions until 2024
- Dual use arrangement for use of centre with Devon County Council / Community College
- Land leased from Devon County Council and Okehampton Town Council

### **Meadowlands, Tavistock**

- Leisure Pool with 4 lanes 25m. Toddler pool, flume and water features built 1990
- Cafe
- Land leased from Tavistock Town Council

- 2.2 The summary demonstrates the wide range of facilities provided by the council. The need for refurbishment and rejuvenation of Meadowlands to make it fit for purpose is a recognised challenge. Detailed and updated Condition Surveys for the centres will be undertaken during the spring to identify likely refurbishment costs and requirements for capital investment. As part of the procurement exercise, bidders will be asked to provide contract prices for the contractor undertaking the capital investment required and to also provide prices for the Council financing the investment cost required through prudential borrowing. On receipt of the completed tenders, an options appraisal will be carried out as to which option would provide the best value for money solution for the Council.

### 3. CURRENT SERVICE DELIVERY

- 3.1. In December 2004 the council commenced a 10 year contract with Leisure in The Community limited for the operation of the two centres. This contract runs through to November 2016 following an agreed extension in April 2013. It is the need to anticipate future arrangements, and the lead in preparation, that led to the establishment of the Member group in 2012 and the presentation of this item at this point in time. The 2014/15 net service expenditure for Leisure Centres, as set out in the budget book, is £548,125 as below.

<b>Cost Centre</b>	<b>£</b>
Employees	15,124
Premises Related Expenses	52,885
Supplies and Services	1,550
Transport Related costs	266
Management Fee	336,000
Other Fees	1,500
Capital Charges (depreciation)	140,800
<b>Total</b>	<b>548,125</b>

- 3.2. The analysis undertaken, and feedback from the soft market test, is that whilst these costs benchmark reasonably well in some respects there are clear opportunities to drive out savings in relation to both the Management Fee and the capital costs inherent in reinvestment in the centres.
- 3.3. The day to day management of the leisure centres undertaken by LiTc (operating as 1Life) is subject to ongoing review through the regular reports to the Community Services Committee. Overall the reports demonstrate a service that is delivering well against financial and service outcomes. Further background can be found in the Committee reports.

### 4. STAKEHOLDER LIAISON

- 4.1. The operation of the leisure centres involves, and impacts upon, a number of interested parties. A core requirement identified by the Member Working Group was that these stakeholders be closely involved in the review and that their views be sought and where, appropriate, incorporated. Liaison has taken place with the following organisations and their views sought. Further details were reported to Community Services Committee on 11<sup>th</sup> March 2014 (Minute CS 34).

<b>Third Party</b>	<b>Nature of Interest</b>
Leisure In The Community	Operator
Tavistock Town Council	Landlord
Tavistock Community College	Partner on Facility Provision
Meadowlands User Group	Partner
Tavistock Swim Club	Partner
Okehampton Town Council	Landlord

Okehampton Community College	Dual Use Agreement
OCRA – Okehampton Community Recreation Association	Partner
Parklands User Group	Partner
Kelly College	Swim Provider

- 4.2. The feedback has been supportive of the Council moving ahead with a procurement that seeks to secure future delivery of the service in a cost effective manner. Specific responses will be taken into account in shaping the procurement exercise. A key issue raised by a number of stakeholders is the need to ensure the new service responds well to local circumstances and partners. This is expressed in two ways. The first is that local partners be given the opportunity to bid in as a potential operator and this is an issue that has come forward in Okehampton. The second is that across all communities there is an appetite for closer involvement in shaping and monitoring the delivery of the leisure service to ensure responsiveness to local needs. These comments are welcomed and taken into account in the proposed approach to the procurement exercise.

## 5. SOFT MARKET TEST

- 5.1. At the update report to Community Services Committee in March 2014 a soft market test exercise was highlighted. Undertaken by the retained consultants this involved a national advert, direct approaches to providers and follow up with stakeholders. Further details are included in the background review but the headline outcomes were
- 14 expressions of interest
  - Significant interest from national market (leisure management and developers)
  - Includes interest from local partners for Okehampton (and Totnes & Dartmouth)
  - That the financial revenue position could be improved
  - That re-investment in facilities could be forthcoming if long term arrangements are put in place (at least 10 years but preferably 20 years plus)
  - A preference for joint contract across West Devon and South Hams
  - An opportunity for an innovative approach at Meadowlands to provide additional facilities to support the swim provision
- 5.2. The overall outcome gives confidence that procurement for a new contract could achieve the objectives set out in paragraph 1.5 of this report. In order to progress the procurement Member consideration of the following issues is sought. The following paragraphs give a brief summary of these issues and Members are referred to background consultants report for further information.
- Scope of Contract and Securing Investment
  - Procurement process
  - Lease and Repair Options
  - Local Arrangements
  - Governance
  - Timescale

## 6. SCOPE OF CONTRACT AND SECURING INVESTMENT

- 6.1. When members first considered the leisure services review the following delivery options were identified.
- Outsource leisure services to the private sector;
  - Outsource the service to a trust or related organisational arrangement (for example, Industrial Provident Society or Community Interest Company) to take advantage of business rate relief and VAT reductions to achieve savings.
  - Commission both leisure services and comprehensive asset redevelopment and/or ongoing estate management;
  - Provide leisure services in-house;
  - Transfer leisure services to another Local Authority e.g. a Town Council
  - Explore other forms of community based delivery in the context of the Localism agenda and current and emerging local investment plans in leisure facilities;
  - Stop the service in its current form and develop new partnerships to achieve alternative provision and new leisure uses for existing or redeveloped buildings, or on alternative sites;
- 6.2. These options have been extensively analysed and tested through the stakeholder liaison, soft market test and associated work. The aspiration brought forward from Members and the communities of West Devon is to maintain the leisure service based around the current centres. The arrangement that has developed through management by 1 Life as an external operator is well respected and seen as a model for future operation (noting that Okehampton groups see opportunity for local delivery to be allowed to be tested through the procurement process). Options for bringing the service back in house or transferred to other local authorities are not favoured.
- 6.3. Given this feedback any future contract needs to attempt to secure a range of challenging outcomes – maintained public service, reductions in revenue costs and investment in capital. The soft market test indicated that these are achievable – but that the contract needs to provide favourable conditions including.
- Arrangements of 20 years or more
  - Maximum number of centres within the contract. Inclusion of all 6 , including South Hams, is favoured as likely to deliver best value by focussing potential operators on achieving value from a larger operation
  - Flexibility over local delivery of service against baseline requirement



- 6.4. The recommendation follows this approach and proposes a joint contract with South Hams District Council. The consultants report investigates this option and concludes that there are “significant financial advantages” to a joint contract. The contractor would provide a breakdown of their management fee between the six centres and WDBC will clearly see the separate accounts for the two WDBC centres. Therefore this allows a clear audit trail of individual authorities’ costs, whilst benefiting from joint economies of scale. It is noted that both Councils can at a later stage in the procurement decide to enter into separate contracts with different providers, however this means that the economies of a joint contract won’t be achieved. To achieve this the procurement would include the ability for the Councils to split the contracts if required. Entering into a joint contract is likely to bring financial benefits through appointing one provider and through the ability to have one support team and contract manager, meaning that there is not a need to duplicate head office and support costs. On a recent exercise with another joint contract the benefits to the overall contract were savings of circa £50,000 per annum as opposed to two separate contracts. The approach would also seek demonstration of how, and when, any operator would bring investment into the centres. Members will need to recognise that seeking external capital investment may decrease potential savings on any proposed management fee.
- 6.5. Through a favourable contract there will still be a need for investment to fund works (in particular at Meadowlands). There may be a case for the council undertaking prudential borrowing (based on a robust business case) as part of new contract arrangements in order to bring forward improvements. It is likely that the Council could undertake borrowing at favourable rates and the option for such arrangements will need to be fully explored through the procurement and competitive dialogue.
- 6.6. This approach to offering the contract and considering investment in the facilities as part of long term arrangements is considered by the consultants to have the “potential to significantly reduce the management fee”. On this basis it is proposed that the contract includes the elements below:-

<b>Town</b>	<b>Tender Requirements</b>	<b>Options</b>
Okehampton	<ul style="list-style-type: none"> <li>• Operation of Parklands</li> <li>• Limited investment (refresh)</li> </ul>	<ul style="list-style-type: none"> <li>• OCRA facilities included</li> </ul>
Tavistock	<ul style="list-style-type: none"> <li>• Operation of Meadowlands</li> <li>• Limited investment (refresh)</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishment</li> <li>• Reviewed facility mix</li> </ul>
Ivybridge	<ul style="list-style-type: none"> <li>• Operation of Ivybridge LC</li> <li>• Investment in New Build</li> <li>• Commercial development of part of site</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishment</li> <li>• Reviewed Facility Mix</li> </ul>
Kingsbridge	<ul style="list-style-type: none"> <li>• Operation of Leisure Centre</li> <li>• Limited investment (refresh)</li> </ul>	<ul style="list-style-type: none"> <li>• Watersports centre</li> </ul>
Dartmouth	<ul style="list-style-type: none"> <li>• Operation of Leisure Centre</li> <li>• Operation of Pool (if developed)</li> </ul>	<ul style="list-style-type: none"> <li>• Operation of Leisure Centre only without pool</li> </ul>
Totnes	<ul style="list-style-type: none"> <li>• Operation of the combined pool and Leisure Centre</li> <li>• Limited investment (refresh)</li> </ul>	<ul style="list-style-type: none"> <li>• Operation of Leisure Centre only without pool</li> <li>• Inclusion of King Edward VI college</li> </ul>

## 7. PROCUREMENT PROCESS

7.1. There are clearly a range of procurement approaches that the Council could undertake. These could include the following that members have previously considered.

- Traditional bid against a tender;
- Competitive dialogue where broad objectives are initially identified and subsequently refined in conversation with a limited range of interested leisure service providers/developers, to secure best value and take advantage of the potential providers expertise;
- Create a broader leisure offer to increase market interest and reduce service delivery costs by packaging the 2 West Devon Centres alongside other Council's. The re-negotiation of the West Devon contract to align contract completion dates for the Okehampton and Tavistock Centres alongside the end of the South Hams contract allows for such joint marketing.

7.2. A range of approaches have been reviewed and the recommended approach is to initiate a tender process that allows for interested parties to bid and progress through a competitive dialogue route. This is considered to have the widest opportunity to bring interested parties forward and achieve the best outcome against objectives. A joint procurement with SHDC will maximise interest and a key strand to the procurement will be to require potential operators to make proposals for how they will achieve the optimum service delivery and best financial position for the councils. The suggested approach to the range of bids within the procurement is set out below. Bidders can bid for one or all of bids 1-5, which enables local bidders to only bid for one facility, but also allows all bidders to bid for all of the facilities. The listing anticipates that a joint contract approach is agreed. If Members require a separate contract approach at the outset a more complex arrangement of separate bids for each council would be established to take through the procurement. The precise details of the presentation of bids will be confirmed as discussions with third parties are concluded ahead of the summer tender exercise.

- Bid 1. All facilities
- Bid 2. Tavistock, Ivybridge, Kingsbridge
- Bid 3. Totnes Pavilion (combined and separate operation)
- Bid 4 Dartmouth (combined and separate operation)
- Bid 5 Okehampton.
- Other. Any optional bids can be submitted by bidders to improve the commercial position

7.3 Given the potential complexities within the service the more flexible competitive dialogue route is proposed. This should allow for securing an operator partner who will deliver the objectives identified at para 1.5. The key principles which form the basis of the procurement should include:

- The partner should be able to deliver required financial savings and capital investment as well as the objectives
- The contract should be for a minimum of 20 years to enable the capital investment
- Documentation will be developed which translates the objectives in to a specification and key requirements the operator must deliver, in partnership with the key local partners
- An appropriate payment mechanism is developed which enables the Council to make deductions from the management fee for non performance
- Evaluation criteria which ensure there is a robust evaluation of both the financial and service outcome delivery
- The affordability position of the Council should be the existing cost of the service, with key revenue savings identified. The affordability level will allow for the prudential borrowing, if agreed by members
- Establishment of Local Liaison Groups to assist in the monitoring, review and service delivery.
- Proposals from operators detailing how activities based at the centres will reach out and promote healthy lifestyles in the hinterlands.

## **8. LEASE AND REPAIR OPTIONS**

- 8.1. Current arrangements (for both West Devon and South Hams) include a split of repairs and maintenance responsibility. This makes use of in house expertise – but also creates complexities in management and leaves a recurring liability with the council. Current market practice accepts the greater simplicity of passing all repairs and maintenance to the operator and this is the recommended route. Clearly this may have an upward pressure on the required management fee – but this will need to be set against in house savings.

## **9. LOCAL ARRANGEMENTS**

- 9.1. The stakeholder liaison and the soft market test have confirmed the high level of local interest in the successful operation of the centres (a theme also reflected in South Hams). As reported to Community Services Committee in March 2014 there is interest from Okehampton organisations in there being options for local operation of Parklands. It is recommended that this be allowed for in the procurement exercise – but on the basis that the individual costs of removing Parklands from an overall contract are itemised in order that the full financial cost of local operation can be ascertained and understood.
- 9.2. In South Hams there are also likely to be financial benefits from the Totnes and proposed Dartmouth Pools being run as combined facilities with the adjacent leisure centres as part of a large scale contract. It is therefore recommended that this option also be included in the procurement – but again with a requirement that any additional costs of such an approach are itemised separately within any bids to that any additional costs attributable to these third party pool facilities can be identified and understood across both Councils.

- 9.3. Irrespective of specific contract arrangements in Okehampton, Dartmouth and Totnes there is clear merit in local communities having a role in monitoring and delivery of leisure services. It is proposed that the procurement exercise will include a requirement for providers to provide Annual Service Development Plans as part of local liaison arrangements.

## **10. GOVERNANCE**

- 10.1. To date the detailed work on assessing background and emerging options has been led by the Member Working Groups at both West Devon and South Hams. The last two meetings of the groups have been undertaken jointly and involved detailed review with Robin Thompson (the retained consultant) to refine the options that underpin this item,
- 10.2. On the assumption that at very least a joint procurement is agreed then there is clear merit in combining the work of the groups into a joint Board and consolidating Member representation, officer support and consultant advice. It is proposed that details be agreed between the Council Leaders and that the Board operate to an agreed "Joint Procurement Protocol" established between the Councils. The Board will take forward the work but will not have decision making powers. Any amendments to the process will take place under the delegation set out at Recommendation 10 or, if substantive, through reference back to Council.

## **11. TIMESCALE**

- 11.1. To meet the November 2016 contract end a proposed procurement project plan is given at **Appendix 1**. Members are asked to consider this and note that matters will need referring back to members for agreement later in the year.

## **12. LEGAL IMPLICATIONS**

- 12.1 The provision of leisure services is a discretionary activity. It is therefore up to the Council what level of service it provides. Members should however note that in the current economic climate there has been Judicial Reviews of council decisions to cut funding to local services. Many of the successful cases have focused on the preparatory work undertaken before a decision to curtail a service is made; in particular highlighting that consultation should be carried out when proposals are at a formative stage.
- 12.2 Other legal challenges have been mounted on the basis of the Public Sector Equality Duty, e.g. a lack of prior consideration by the Council of the impact of the proposed cuts on particular groups within society. The recommendations in this report propose continuing the service (at or about current levels) and testing this with the market. At this stage no reduction or loss of service is anticipated.

## **13. FINANCIAL IMPLICATIONS OF PROVIDING LEISURE SERVICES**

- 13.1 The contract fee payment for 2014/15 is budgeted at £336,000.
- 13.2 The future approach will not be helped by the lack of certainty about the level of funding available for discretionary services in the medium/long term, particularly in view of possible changes to the way local government is funded. Nevertheless leisure services are assessed as being a service the Council wishes to maintain and the proposed procurement process set out in this item seeks to establish the degree to which revenue savings and capital investment can be secured in a cost effective and affordable manner for the Council.
- 13.3 The need for investment in the centres, particularly Meadowlands, may be capable of being supported through prudential borrowing. This could only be contemplated if there was a rigorous and robust business plan underpinning the proposed borrowing. This option will be tested out during the procurement and results reported back to members for consideration.

## **14. CONCLUSION**

- 14.1 In deciding the way forward, Members will wish to carefully balance a range of issues:
- Leisure is a discretionary but front line service. Leisure Centres have capacity to further develop at the heart of healthy local communities.
  - Local communities cherish local leisure facilities and wish to see continued council support
  - Two Centres require significant investment moving forward (Meadowlands and Ivybridge in South Hams)
  - The other Centres require refresh and general upkeep including condition survey work
  - There is local interest in partnering with the Council in a number of areas, in particular Okehampton, Totnes and Dartmouth.
  - The opportunity to combine wet and dry facilities at Totnes and Dartmouth (with the new indoor pool) can potentially bring savings to the contract, due to the critical mass and the provision of staffing already in place. This will be tested.
  - There is significant interest from the market in a future contract (preferably a joint contract)
  - A joint contract approach to the market would be best value for the Councils, however at the minimum the Councils should enter a joint procurement
  - Any facility developments should be delivered through a Design, Build and Operate approach, with the potential for a 25 year contract
- 14.2 The response from the soft market test has been encouraging and opens the opportunity for further delivery that provides an improved revenue position, capital investment and continued community focussed service. Embarking on procurement through the competitive dialogue route will allow the objectives to be tested and outcomes reported back to members for consideration.

## 15. RISK MANAGEMENT

15.1 The risk management implications are appended to this report as **Appendix 2**.

## 16. OTHER CONSIDERATIONS

<b>Corporate priorities engaged:</b>	Community Life
<b>Statutory powers:</b>	S19 Local Government (Miscellaneous Provisions) Act 1976 - Leisure is a discretionary service Localism Act 2011
<b>Considerations of equality and human rights:</b>	The Council currently operates two main leisure facilities. While there are alternative leisure facilities available in surrounding areas, those with limited access to private transport will find travelling longer distances difficult.
<b>Biodiversity considerations:</b>	None
<b>Sustainability considerations:</b>	Access to local facilities may reduce travel
<b>Crime and disorder implications:</b>	Access to local affordable facilities may reduce elements of anti social behaviour
<b>Background papers:</b>	Leisure Options Report: Confidential
<b>Appendices attached:</b>	1. Project Plan 2. Strategic Risk Assessment