



# Epping Forest District Council

## **PORTFOLIO HOLDER ADVISORY GROUP ON LEISURE MANAGEMENT**

**Monday, 25th July, 2016**

You are invited to attend the next meeting of **Portfolio Holder Advisory Group on Leisure Management**, which will be held at:

**Committee Room 1, Civic Offices, High Street, Epping**  
on **Monday, 25th July, 2016**  
at **6.30 pm** .

**Glen Chipp**  
Chief Executive

**Democratic Services  
Officer**

Gary Woodhall  
The Directorate of Governance  
Tel: 01992 564243  
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### **Members:**

Councillors H Kane (Chairman), G Chambers, R Jennings, P Keska, R Morgan, G Shiell, E Webster and J M Whitehouse

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### **1. APOLOGIES FOR ABSENCE**

(Director of Governance) To be announced at the meeting.

### **2. TERMS OF REFERENCE**

(Director of Governance) To note the current Terms of Reference for the Group:

(i) To assist in ensuring that the Council is in the best position to obtain a competitive and effective tender to deliver the desired outcomes of the Leisure and Cultural Strategy.

(ii) To review the current services provided under the Leisure Management Contract and consider any changes to the programme of activity offered, how the contract may be packaged and the length of any contract period.

(iii) To critically review the 4 Sports and Leisure Centres owned by the Council, giving consideration to their location, age, condition, costs/subsidy, and make recommendations on future provision/investment.

(iv) To advise the Council's Client Officer Team as they undertake the competitive dialogue process, considering options that may emerge as part of any bidders'

proposals.

(v) To provide input into the appointment process for any potential contractor, and in particular, to participate in a Member Presentation and Interview Panel.

(vi) To support the Portfolio Holder in recommending any successful Leisure Management Tender to the Cabinet, taking into consideration the Service and Financial implications for the Council.

**3. NOTES OF THE LAST MEETING (Pages 3 - 6)**

(Director of Governance) To agree the notes of the last meeting of the Portfolio Holder Advisory Group on Leisure Management, held on 14 January 2016 (attached).

**4. EVALUATION OF ISDS SUBMISSIONS AND RECOMMENDATION OF FINAL STAGE TENDERS (Pages 7 - 8)**

(Director of Neighbourhoods) To consider the attached report (LMC-001-2016/17).

**5. FURTHER EXTENSION TO CURRENT CONTRACT WITH SPORTS AND LEISURE MANAGEMENT LIMITED (Pages 9 - 10)**

(Director of Neighbourhoods) To consider the attached report (LMS-002-2016/17).

**6. HILLHOUSE REDEVELOPMENT (Pages 11 - 12)**

(Director of Neighbourhoods) To consider the attached report (LMC-003-2016/17).

**7. FUTURE MEETINGS**

Future meetings of the Portfolio Holder Advisory Group in 2016/17 are currently scheduled for:

- 10 November 2016.

## EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

**Committee:** Portfolio Holder Advisory Group on Leisure Management      **Date:** Thursday, 14 January 2016

**Place:** Committee Room 1, Civic Offices, High Street, Epping      **Time:** 6.30 - 7.10 pm

**Members Present:** H Kane (Chairman), G Chambers, R Jennings, P Keska, R Morgan, G Shiell, E Webster and J H Whitehouse

**Other Councillors:** -

**Apologies:** -

**Officers Present:** D Macnab (Deputy Chief Executive and Director of Neighbourhoods), J Nolan (Assistant Director (Neighbourhood Services)), J Warwick (Assistant Community Health & Wellbeing Manager) and G J Woodhall (Senior Democratic Services Officer)

**Also in attendance:** R Thompson (Consultant)

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### 9. TERMS OF REFERENCE

The Group noted its Terms of Reference.

### 10. NOTES OF THE LAST MEETING

**Resolved:**

(1) That the notes of the last meeting, held on 17 September 2015, be taken as read and agreed as a correct record.

### 11. EVALUATION OF PRE-QUALIFICATION QUESTIONNAIRE FOR THE LEISURE MANAGEMENT CONTRACT PROCUREMENT

There was no public discussion on this item.

### 12. EXCLUSION OF PUBLIC AND PRESS

**Resolved:**

(1) That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the item of business set out below as it would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12(A) of the Act indicated and the exemption was considered to outweigh the potential public interest in disclosing the information:

<u>Agenda Item</u>	<u>Subject</u>	<u>Paragraph No.</u>
6	Evaluation of Pre-Qualification Questionnaire for the Leisure Management Contract	3

**13. EVALUATION OF PRE-QUALIFICATION QUESTIONNAIRE FOR THE LEISURE MANAGEMENT CONTRACT PROCUREMENT**

Before the Group considered the report, D Macnab reported that the current contract with Sports & Leisure Management Limited (SLM) had been extended for a further year with a three month break clause. R Thompson from RTP Consulting then presented the report on the evaluation of the Pre-Qualification Questionnaires for the procurement of the Leisure Management Contract.

R Thompson reported that the Pre-Qualification process had been undertaken and this had resulted in the submission of five Questionnaires, all of which had been evaluated by the Officer Project Team which had included R Thompson as the Council's consultant. The Questionnaires had requested the bidders to provide information on their organisation and economic and financial standing, along with information on health & safety, background and experience, and environmental approaches. In addition, there were six project specific questions included. All of the bidders were well established operators in the Leisure Management industry with significant experience, and all had scored 80% or more when their Questionnaires were evaluated. Consequently, the Council could be confident that the bids were from organisations who had the ability to deliver the contract, and it was being proposed that all five bidders should progress to the next stage, the Invitation to Submit Detailed Solutions (ISDS). The ISDS stage was scheduled to begin in mid-January 2016.

In response to questions from the Members present, R Thompson explained that the Questionnaire was based on a standard model used by local authorities, but tailored to meet the Council's requirements, and was scored by the Officer Project Team as objectively as possible. Cllr Whitehouse requested sight of the documentation that the Questionnaires were based on, and this was agreed. R Thompson stated that site visits would be organised for the next stage of the process, but references had been included as part of the Pre-Qualification Questionnaire. D Macnab added that, during the procurement process for the current contract, sites similar to those owned by the Council had been selected for visits and it was intended to follow the same process for this procurement exercise. Members of the Group would be invited to attend the site visits.

R Thompson presented the current version of the Project Plan for the procurement of the new Leisure Management contract and highlighted the principal milestones to the Group.

R Thompson advised the Group that the next stage of the process was the ISDS, which would include competitive dialogue sessions with the bidders during February and March 2016, with the bids due for submission in April 2016. After the bids had been evaluated by the Officer Project team, the Invitation to Submit Final Tenders (ISFT) stage would commence, which would also include further competitive dialogue sessions with the bidders. The final tenders were due for submission in July 2016. The recommendation of the Group as to the preferred bidder would be submitted to the Cabinet on 1 September 2016 and the Council on 27 September 2016 for approval, and the new contract was scheduled to start in either December 2016 or January 2017.

The Portfolio Holder opined that the Council was fortunate to have received bids from five excellent companies, and supported the recommendation from the Officer Project team to progress all five to the next stage. R Thompson added that Leisure Management was a niche market with only around ten companies involved, and the receipt of five bids by the Council was typical for this sort of procurement exercise.

D Macnab reminded the Group that there was no need to seek approval from the Cabinet for the decisions made by the Group at this stage and the successful bidders would be informed the following day. During the recent review of the procurement and initial operation of the Waste Management Contract by Members, there had been no criticism of the competitive dialogue process which prevented its use for this procurement exercise. R Thompson reassured the Group that Members would be briefed on each bid before the Member interviews took place during the ISFT stage, which would highlight the strong and weak points of each bid.

**Resolved:**

- (1) That the results of the evaluation of the Pre-Qualification Questionnaires received by the Officer Project team be noted;
- (2) That the documentation upon which the Pre-Qualification Questionnaires were based be distributed to the Members of the Advisory Group; and
- (3) That the following companies be progressed to the next stage of the procurement process, the Invitation to Submit Detailed Solutions:
  - (a) Fusion Lifestyle;
  - (b) GLL;
  - (c) Parkwood Leisure;
  - (d) Places for People Leisure; and
  - (e) Sports & Leisure Management Limited (SLM).

**14. MATTERS ARISING**

In relation to the notes of the last meeting, D Macnab reiterated that most schools had little interest in managing a swimming pool due to the high costs of maintenance involved. Cllr Whitehouse enquired whether Ongar Swimming Pool could be offered to a Community Group to manage? D Macnab stated that Officers would be reluctant to recommend the closure of a facility if a Community Group could take it over; however, Ongar Swimming Pool was aging and needed significant maintenance.

Cllr Whitehouse also felt that consideration should be taken of the frequency of the public transport service and not just the time taken to journey to a Leisure facility, as had been assumed at the previous meeting. It was highlighted by J Warwick that the majority of the users of Epping Sports Centre used their cars to travel there.

**15. FUTURE MEETINGS**

The Group noted that there were meetings scheduled for 8 February 2016 and 11 April 2016.

D Macnab reported that the competitive dialogue for the Invitation to Submit Detailed Solutions (ISDS) was due to start on that date, and that there might not be anything substantial to report to the Group. Cllr Kane suggested that the next scheduled meeting be either deferred to a date in March, or cancelled and the Group would convene again on 11 April 2016. The Group felt that it would be better to cancel the next scheduled meeting in February and meet again in April 2016.

**Resolved:**

- (1) That the next scheduled meeting of the Group on 8 February 2016 be cancelled.

**CHAIRMAN**

## **Report to the Portfolio Holder Advisory Group – Leisure Management**



**Epping Forest  
District Council**

**Report reference: LMC-001-2016/17**  
**Date of meeting: 25 July 2016**

**Portfolio: Leisure & Community Services**

**Subject: Evaluation of ISDS Submissions and Recommendation of Final Stage Tenderers.**

**Responsible Officer: Derek Macnab (01992 564050).**

**Democratic Services: Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

- (1) That Members of the Portfolio Holder Advisory Group consider the submissions received at ISDS by bidders for the Council's Leisure Management Contract and the results of the formal evaluation by the Officer Working Group; and**
- (2) That, based on the outcome of the results of the evaluation, the Portfolio Holder Advisory Group agree the three contractors to be invited to proceed to the final stage of the procurement process.**

### **Report:**

1. At the meeting of the 14 January 2016, Members of the Portfolio Advisory Group, considered a report by the Council's Consultant, Robin Thompson, from RTP, regarding the outcome of the Pre-Qualification Questionnaires (PQQ's) received in response to the OEJU advert, placed in November 2015.
2. The PQQ's had been assessed on a pass or fail test with regard to Economic Standing, Technical and Professional Ability, Insurance, Equalities Requirements, Environmental Management, Health and Safety and any other Grounds for Exclusion, such as bankruptcy, price, collusion etc.
3. Five PQQ submissions were received by the closing date from 5 bidders, namely:
  - Fusion Leisure;
  - GLL;
  - Parkwood Leisure;
  - Places for People Leisure; and
  - SLM (Everyone Active).
4. All five of the submissions passed the pass/fail test and on this basis Members agreed that all five progress to the ISDS Stage.
5. In the event, Fusion Leisure declined the invitation, citing their level of commitment to other opportunities. However, the remaining four companies entered into the ISDS dialogue stage and have submitted bids.

6. The evaluation criteria for the contract have previously been agreed by both the Portfolio Advisory Group and Cabinet. Robin Thompson from RTP will present the submissions and the results of the officer evaluation to the Advisory Group. Based on Members' consideration, three bidders will be selected to proceed to the final stage.



## **Report to the Portfolio Holder Advisory Group – Leisure Management**



**Epping Forest  
District Council**

**Report reference: LMC-002-2016/17**  
**Date of meeting: 25 July 2016**

**Portfolio: Leisure & Community Services**

**Subject: Further Extension to Current Contract with Sports & Leisure Management Limited**

**Responsible Officer: Derek Macnab (01992 564050).**

**Democratic Services: Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

**(1) To support the Portfolio Holder in seeking a further extension to the current Leisure Management Contract with SLM until 1 April 2017.**

### **Report:**

1. Members have previously supported an extension of the current contract with SLM until the 3 January 2017, taking the length of the contract to 11 years. This was to facilitate the current procurement process and has not presented any difficulties with respect to SLM's performance and quality of service to customers. It was intended that the current procurement process would have achieved a contract award in October 2016. However, given that the provision of the new Leisure Centre at Hillhouse plays such a significant role in the tender process, and outline planning consent is not being considered until November 2016, it makes sense to seek a further extension. This action would de-risk the final tender award if outline planning consent was to be achieved.

2. A Contract Extension until the 1 April 2017 would have the added advantage of commencing at the start of the Council's financial year. Any extension will require the publication of a VEET Notice. However, the risk of challenge is considered extremely low given the short period of time of the proposed extension (3 months) and the current contracting market with respect to Leisure Management.

3. A copy of the proposed revised timetable is detailed below.

Epping Forest District Council – Leisure Management

Project Timetable  
30<sup>th</sup> June 2016

Key Actions	Responsibility	Timescale	Meeting Dates
Bidder Meetings – presentation and clarifications	Project Team		Tuesday 19th July – all day North Weald Airfield
Finalise Evaluation	RPT	By 22 <sup>nd</sup> July	
Portfolio Group	RPT/DM/JN		25th July Civic Offices
ISFT Issue	RPT	w/c 1 <sup>st</sup> August	
ISFT Submissions	Bidders	30th September	
ISFT Evaluation	Project Team		18 <sup>th</sup> October 10:00am North Weald Airfield
Members Briefing	RPT/DM/JN		18 <sup>th</sup> October 2:00pm North Weald Airfield
Portfolio Group	RPT/DM/JN		10 <sup>th</sup> November Civic Offices
Cabinet – formal report?	RPT/DM/JN		1 <sup>st</sup> December Chamber
Council – award Contract	DM/JN		13th December Chamber
Mobilisation	Preferred Bidder		Contract starts 1 <sup>st</sup> April 2017

## **Report to the Portfolio Holder Advisory Group – Leisure Management**



**Epping Forest  
District Council**

**Report reference:** **LMC-003-2016/17**  
**Date of meeting:** **25 July 2016**

**Portfolio:** **Leisure & Community Services**

**Subject:** **Hillhouse Redevelopment**

**Responsible Officer:** **Derek Macnab (01992 564050).**

**Democratic Services:** **Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

**(1) To note progress on the Hillhouse Redevelopment Project, in which the new Leisure Centre to replace Waltham Abbey Swimming Pool, plays an integral part.**

### **Report:**

1. Members will be aware that one of the key outcomes sought through the Leisure Management Procurement process, is the provision of a new Leisure Centre at Hillhouse, Waltham Abbey to replace the ageing Waltham Abbey Swimming Pool, which based on a full building condition survey has been declared to be past its useful economic life.
2. The Cabinet are due to consider a report on the 21 July seeking endorsement of the Masterplan for the overall redevelopment scheme, which also contains a new GP Health Clinic and an Independent Living Scheme for the Elderly, being provided by Essex County Council.
3. The report below, which is an extract from the Leisure and Community Wellbeing Portfolio Holder's Report to Full Council on the 26 July, gives a general update on progress.

### Hillhouse Master Plan

4. Following consultation with key stakeholders and local people (through a Community Planning Weekend), a Master Plan for the Hillhouse area of Waltham Abbey has now been formulated and published. The proposed development site at Hillhouse is in a relatively central, well-populated, part of Waltham Abbey, comprising land owned by the District Council and Essex County Council.
5. The Master Plan has been formulated by consultants, JTP, on behalf of the three key partners – the Council, Essex County Council and NHS England. A copy of the Master Plan is available on the Council's website, but the main components of the Master Plan include:
  - a new swimming pool and leisure centre, incorporating a new community hall - to replace the existing swimming pool at Roundhills, Waltham Abbey, which is reaching the end of its operational life, and the Hillhouse Community Centre, which has recently had to close due to its poor condition;
  - an Independent Living (sometimes referred to as Extra Care) Scheme - providing 1

and 2 bedroom self-contained affordable rented and open market flats for people over 55 years of age with identified care and support needs;

- a new health centre providing new, modern accommodation, to replace the existing Maynard Court Doctors Surgery, which will soon be no longer fit for purpose - to enable a wider range of health services to be provided for the benefit of the local community and to provide an opportunity for the practice to increase GP and nurse training on site;
- the retention of around half of the existing playing fields as informal recreation space; and
- the provision of an appropriate level of financial contribution towards alternative sports/recreation provision to be provided elsewhere in Waltham Abbey, to compensate for the loss of informal recreation space at Hillhouse.

6. The next stage is for the three key partners to submit an Outline Planning Application for the development of the area, in general accordance with the Master Plan, in order to seek approval to the general principle of development and to the general location and size of the three key components. It is planned to submit the outline planning application in August, which will be determined by the District Development Management Committee, hopefully in November.

7. The costs of formulating the Master Plan and submitting the Outline Planning Application are being shared between the three key partners.

8. If Outline Planning Permission is received, the three key partners will then be responsible for obtaining Detailed Planning Permission and to procure, fund and deliver their own facility on the site. In the case of the Leisure Centre, it will be for the successful incoming contractor to submit the Detailed Application.