
**EXCERPT FROM THE MINUTES OF THE
COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE
HELD ON 10 JANUARY 2002**

COS.21/02 LEISURETIME COMPETITIVE PROCESS DOCUMENTATION

(Public and Press excluded by virtue of Paragraph 9)

The Director of Leisure and Community Development submitted report LCD.96/02 providing the detailed documentation which would be issued to contractors tendering for the Leisuretime Competitive Process.

In addition, the following documents were also submitted:

- (i) the Minutes of the meetings of the Leisure Consultative Group held on 4 December 2001 (together with the Director's comments on the points raised at that meeting) and 9 January 2002; and
- (ii) the views of the City Solicitor and Secretary with regard to the contract conditions.

Officers presented and outlined in detail the documents referred to above, and responded to Members' questions.

In discussion, the following points were raised by Members:

Section One – Prospectus

With regard to the submission of a bid from the in house team, assurance was sought that staff working for Leisuretime had not been involved in the competitive process. The Director confirmed that there had been no input or exchange of information, it being of paramount importance that the tendering process was undertaken on a level playing field.

Concern was expressed regarding the Council's duty to undertake Best Value Reviews every five years and the implications that would have on a contract for the provision of Leisure Services up to a period of fifteen years. It was suggested that it may be better to rely on Performance Indicators, rather than Best Value Reviews. The Head of Legal Services referred to the City Solicitor and Secretary's comments which dealt with the issue, stressing the need to ensure that the Council was not put in a position of difficulty with regard to Best Value.

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Section 2 – Specification

The question of measurement of performance of the services under the contract by the contractor by reference to a number of Performance Indicators arose, in particular the possible implications which that may have on profitability. The Director commented that the Council had a legal obligation to monitor performance. The Head of Legal Services added that the documentation had been drafted to take on board such issues. Performance Indicators may be imposed by the Government which may cost money, and any prospective contractor would have the opportunity to raise concerns in that regard. If agreement was subsequently reached on such concerns, the position would be reflected in the contract documentation.

Discussion arose regarding the requirement in paragraph 2.1.6 to programme a minimum entertainment programme. Opinion was split between the feeling that the requirement was too restrictive upon the contractor and that subsequent negotiation should be allowed, and the need to be specific (on all aspects) as to what was expected/required of the contractor in order to safeguard the Council's position.

The Portfolio Holder for Health and Well Being was present at the meeting and, with the permission of the Chairman, commented that this point had been discussed by the Leisure Consultative Group the day before. It had been recommended that subsequent negotiation with the contractor over the specific number of particular types of entertainment per year should be allowed.

Contract and Comments of the City Solicitor and Secretary

A Member expressed the view that a contract spanning fifteen years was too long and suggested that five years may be more appropriate. The Director commented that the term of the agreement would be a minimum of five years and a maximum of fifteen, the final length being dependant upon negotiations with the contractor and the capital, revenue and service benefits to the Council.

The option of renewal of the contract arose and the Head of Legal Services indicated that, in order to avoid any expectation on the part of the contractor, it had not been written into the documentation. There was, however, nothing to prevent the Council from doing so following appropriate negotiation towards the end of the contract period.

Members expressed concern at the potential for problems to arise regarding the provision of a Pension Scheme for those staff presently engaged in providing the Leisuretime Service. The Director indicated that the successful tenderer would be required to provide a Scheme at least equivalent to that provided by the Council. In addition, it may be possible for staff to remain within the Council's Pension Scheme if the new organisation gained admittance.

Lease

No particular recommendations were made on the lease proposals.

Evaluation Method and Matrix

Members felt that the weighting of factors taken into account in the Evaluation Matrix required amendment to reflect, in particular, the importance of best value, customer relations, and marketing and advertising plans and strategies.

Contract Monitoring

The attempt to simplify the contract monitoring arrangements from those under CCT was recognised.

RESOLVED – That the Leisuretime Competitive Process documentation be noted and the points raised above referred to the Executive for consideration.