

LONDON BOROUGH OF BRENT
MEETING OF THE EXECUTIVE – 17 SEPTEMBER 2002
REPORT FROM THE HEAD OF SPORTS AND COMMUNITY FACILITIES

**REPORT TITLE: WILLESDEN SPORTS CENTRE PFI
PROCUREMENT PROCESS, TIMETABLE AND
EVALUATION CRITERIA**

WARDS: ALL

FOR ACTION

1.0 Summary

- 1.1 This report requests authority to invite tenders as required in the Contract Standing Order 88 and outlines the timetable for the procurement of the PFI project for the redevelopment and running of Willesden Sports Centre.

2.0 Recommendations

- 2.1 The Executive to give approval to the evaluation criteria, procurement process and proposed procurement timetable set out in paragraph 6.4 in the report.
- 2.2 The Executive to give approval to officers to shortlist, to invite tenders by an invitation to negotiate and negotiate in accordance with the evaluation criteria, procedure and timetable referred to in paragraph 2.1 above.

3.0 Financial Implications

- 3.1 The total cost of the project over 25 years has been calculated at a net present value of £15.590 million. This includes an initial capital cost for rebuilding the Sports Centre of £13.1 million. The project will be funded by £13.912 million PFI credits from the Department of Culture, Media and Sports, £1.6 million from the Capital Programme, £1.6 million from Section 106 resources and approximately £640k per annum (at 2001-2002 prices)

which is in line with the current revenue budget for the costs of operating the Sports Centre.

4.0 Legal Implications

- 4.1 The Local Government (Miscellaneous Provisions) Act 1976 section 19 enables the Council to provide a variety of leisure and recreational facilities as it thinks fit. The Local Government Act 1972 section 144 enables the Council to encourage visitors and provide conference facilities.
- 4.2 The PFI project is a design, build, finance and operation of a sports centre. The contract to be let is subject to the European Public Procurement Regulations for works, services and supplies. It is also subject to the Council's contract standing orders for high value contracts. There are external legal advisers and the Council internal legal services involved in advising on the contracts and the procurement aspects.

5.0 Staff and Accommodation Implications

- 5.1 There are no staffing implications for the Council. The report concerns the replacement of the facilities at Willesden Sports Centre on the existing site.

6.0 Detail

- 6.1 The current facilities at Willesden Sports Centre and Athletics Stadium are in urgent need of replacement. Brent Sports Strategy identified Willesden as the top priority for improvement. On 12 March 2001, the Council authorised the Director of Community Development to submit a bid for PFI credits.
- 6.2 The initial bid was successful and, following approval by the Corporate Deciding Committee on 17 April 2002, the Outline Business Case was approved by the Department of Culture, Media and Sports and the Project Review Group (which is part of the Treasury).
- 6.3 An OJEC notice has been placed, following authorisation by the Corporate Deciding Committee on 17 April 2002.
- 6.4 In accordance with Contract Standing Orders 88 and 89, the procedure and timetable to be followed has been set out below.

Ref	Requirement	Response
(i)	The nature of the service/supply	Replacement of Willesden Sports Centre and Stadium (architectural services and works contract) and the provision of all supplies and services (facilities management) at the Centre by a PFI project and scheme.
(ii)	Estimated value	Net present value of £15.590 million.
(iii)	The contract term	25 years after the completion of construction.
(iv)	The tender procedure to be adopted	European Public Procurement negotiated procedure, whereby the Council will negotiate the terms and conditions (based on the standard model agreements) with one or more persons it selects.
(v)	The procurement timetable Note these dates are proposed and target dates	<p>Adverts despatched and placed in OJEC 16 August 2002</p> <p>Bidders briefing day 9 September 2002</p> <p>Deadline for bidder responses 30 September 2002</p> <p>Evaluation of submissions 1-19 October 2002</p> <p>Approval of longlist October 2002</p> <p>Issue of Invitation to Negotiate documentation November 2002</p> <p>Deadline for return of tender documentation April 2003</p> <p>Completion of evaluation process July 2003</p> <p>Confirmation of preferred and reserve bidder July 2003</p> <p>Confirmation of preferred partners August 2003</p> <p>Issue of Best and Final Offer (BAFO) documents (if required) September 2003</p> <p>Return of bids October 2003</p> <p>Selection of preferred bidder (BAFO) October 2003</p> <p>Council approval of preferred bid/outcome of negotiations December 2003</p> <p>Submission of Full Business Case to Project Review Group January 2004</p>

		<p>Recommendations to the Executive for the award of the Contract 2004</p> <p>Contract signed Construction period</p> <p>February March 2004 2004-2006</p>
(vi)	Evaluation criteria and process	<p>The Panel will evaluate the tenders based on the most economically advantageous in terms of the price, design, service and legal considerations. The shortlist will be drawn up in accordance with the Council's Contract Management Guidelines thereby meeting the Council's financial standing order requirements, health and safety standards and technical expertise. The council will then send out invitations to negotiate to those shortlisted. The evaluation process and detailed criteria will be developed as part of the preparation of the Invitation to Tender documentation during October 2002. At this stage the evaluation criteria will include an assessment on the proposed building and construction, facilities and services requirement and commercial terms.</p>
(vii)	Any business risks associated with entering the contract	None
(viii)	The council's Best Value duties	<p>The council's sports facilities were recently subject to a Best Value Inspection. The report identified the proposed PFI development for Willesden Sports Centre as the most positive development in the service.</p>
(ix)	Any staffing implications, including TUPE and pensions	None for the Council
(x)	The relevant financial, legal and other considerations	See main report paragraphs 3 and 4.

Background papers

Outline Business Case

Community Development Committee 26 April 1999 The Redevelopment of Willesden Sports Centre – Report and Minutes

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