

CABINET

19 September 2023

Title: Re-Procurement of Leisure Services Contract	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report with Exempt Appendix 4 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	For Decision
Wards Affected: None	Key Decision: No
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Accountable Director: Hilary Morris, Commercial Director	
Accountable Executive Team Director: James Coulstock, Interim Strategic Director, Inclusive Growth	
Summary: This report sets out the procurement strategy for the provision of a new leisure services contract operator. The Council's current operator has invoked a break clause in the current concession contract procured in 2017 and so will be exiting the contract with effect from 14 September 2024. Therefore, the Council needs to undertake a procurement exercise to select a new operator and award and mobilise a new contract in advance of this exit date. The scope of service is the management of: <ul style="list-style-type: none">• Abbey Leisure Centre• Becontree Heath Leisure Centre• Jim Peters Stadium The main outcomes being sought in the procurement are: <ul style="list-style-type: none">• Maximise the financial return to the Council for the operation of the centres;• Increase overall activity levels of residents, but to focus on increasing activity levels and reducing levels of inactivity amongst those people with the lowest activity rates. This will support the improvement of health outcomes, both mental and physical, amongst the most deprived areas of the borough. The contract term being procured is for 10 years with the potential extension option for a further 5 years, subject to satisfactory performance. The services specification will be developed to ensure the centres are managed against industry best practice and will include specific requirements to manage and maintain the centres to certain standards. The services specification and contract will be based on	

Sport England standard templates, which are known to the market and will therefore ensure a time efficient process.

The specification will be aligned to supporting the Council to meet its outcomes under the Council's vision to make Barking and Dagenham "A place people are proud of and want to live, work, study and stay".

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a Leisure Services Contract in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Community Leadership and Engagement, the Strategic Director, Finance and Investment and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

The leisure centres play a vital role in supporting the borough's residents live a healthy and more active lifestyle and, as such, the Council is committed to the on-going operational running of the leisure centres. The leisure centres support the following Council priorities:

- Residents live healthier, happier, independent lives for longer;
- Residents prosper from good education, skills development, and secure employment;
- Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods.

1. Introduction and Background

- 1.1 The Council is seeking a new leisure operator for its leisure services to ensure that it can continue to provide high-quality and affordable leisure services for residents as well as provide a financial return to invest in core services.
- 1.2 The Council had previously contracted the incumbent provider to manage the leisure centres under a concession contract in 2017. The term was 10 years plus 5. However, following the loss of income resulting from the Covid lockdowns and increasing energy costs associated with the war in Ukraine, the provider has stated that they could no longer afford the concession contract payments to the Council and gave 18 months' notice to terminate the contract. The notice period ends 14 September 2024.
- 1.3 Therefore, the Council needs to undertake a procurement exercise to appoint a new operator to commence at the end of the current contract.

- 1.4 The Council has commissioned Max Associates, a local authority leisure consultant, to manage the end-to-end procurement and selection process as well as compiling an in-house project team. Max Associates provide subject matter expertise on the leisure market and will project manage the procurement process as well as support the Council throughout the procurement.
- 1.5 To support the procurement strategy, a PIN notice was issued on 27 June 2023 together with a soft market test questionnaire. Five leisure management organisations responded to the questionnaire and their responses have informed this procurement strategy.

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured

- 2.1.1 The specification follows the Sport England standard 'leisure operating contract' specification and is being made bespoke to the requirements of the Council. The three main centres include:
- Abbey Leisure Centre
 - Becontree Heath Leisure Centre
 - Jim Peters Stadium
- 2.1.2 The contract will have the ability to vary into the scope of services and include the Riverside Leisure Centre, if it is built and commences operation within the contract period but will not be required to appoint the winning bidder to run the Riverside Leisure Centre should it decide an alternative provider is better placed for that facility.
- 2.1.3 As part of the tender, the Council will confirm that it may be willing to provide funding for investment into the centres if there is a financial incentive to do so. This would be applicable, for instance, if additional capital investment could improve the Council's financial return or provide access to better services for residents. One example of this could be capital investment made to make the centres more energy efficient as a way to reduce energy costs over the longer term. Any investment would have to be paid back during the contract term and include the cost of capital (base rate plus 3%). This will be set out in the tender information for suppliers.
- 2.1.4 The specification sets out the Council's expectations in a number of areas including, but not limited to:
- Strategic objectives of the Council,
 - Services requirements (for example, minimum opening hours, pricing, safeguarding, H&S etc.)
 - Asset requirements (for example, building maintenance, environmental management, pool water quality etc.)
 - Performance management and reporting
 - The specification focuses outcomes to be achieved on the following:
 - Maximise financial return
 - Innovation and rejuvenation of Jim Peters Stadium
 - Increasing in participation, particularly under-represented groups

- Meeting health outcomes (for example, exercise on referral programmes)
- There is a comprehensive list of KPIs being included, based on:
 - Participation - based on gender, age, ethnicity, disability, deprivation.
 - Strategic outcomes - customer satisfaction, financially and environmentally sustainable facilities, increases in activity levels from underrepresented groups, social value.

2.2 **Estimated Contract Value, including the value of any uplift or extension period**

2.2.1 Contract value has been assessed as the annual contract turnover x [10 plus 5] years.

2.2.2 Based on the annual turnover as at 2022/23, in addition to the draft business plan for the new Barking Riverside site, the value of the contract is listed as £8m per annum.

2.3 **Duration of the contract, including any options for extension**

2.3.1 The contract will be 10 plus an optional extension of 5 years, commencing 15 September 2024.

2.4 **Is the contract subject to (a) the Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 This contract was previously awarded as a concession contract, procured under the Concession Contracts Regulations 2016. However, the market appetite for risk has altered since 2017 which has been evident in new contracts procured by other Local Authorities over the last couple of years, as well as the soft market testing that was undertaken. This made clear that some of the risks the Council transferred are no longer likely to be accepted by the market and, therefore, in order to secure a new operator the Council would have to take on some additional liability as has been set out below.

2.4.2 Given the risk balance between the parties has changed, it is considered the new contract should now be procured under the Public Contracts Regulations 2015. Some examples of the changes in risk are:

- Building structure and major equipment end of life replacement will be the Council's responsibility as it was under the previous concession contract.
- Utility tariff risk will remain with the Council (subject to any small cap and collar) although the operator will retain the consumption risk. The operator will have to use B&D Energy as a supplier for at least gas and preferably electricity as well.
- The local government pension risks of the 44 staff who are known to have a LGPS, will remain with the Council. This risk includes any increase in employer contribution rate (subject to any small cap and collar), any funding deficit at the beginning and end of the contract (ie. the operator paying all their employer contribution rates and not adversely impacting the fund, for example excessive pay rises, early redundancies.)

- Any impact of future COVID / pandemic legislation on closures / reduced occupancy of centres.

2.4.3 The soft market testing substantiated that if these risks do not remain with the Council, the response to the opportunity from the market is likely to be severely restricted, if not zero.

2.5 **Recommended procurement procedure and reasons for the recommendation**

2.5.1 **Procurement routes** - There are various operator procurement procedures available to Councils to appoint a leisure operator.

Procurement Route Options:

- **Open Procedure** – this is a one stage process whereby bidders submit both selection questionnaire (SQ) and tender at the same time. You are not able to negotiate with bidders; they simply price against a fixed contract / specification, although the Council can clarify responses.
- **Restricted Procedure** – this is a two-stage process where the SQ is issued first followed by the tender. Some of the SQ questions are scored. The top 5-8 suppliers are invited to tender should they pass the SQ and scored questions. You are not able to negotiate with bidders; they simply price against a fixed contract / specification, although the Council can clarify responses.
- **Competitive Procedure with Negotiation** – can include a negotiation stage, Council reserves the right to award after ‘initial tenders’.
- **Competitive Dialogue** – for complex procurements, where it is difficult to define the whole specification, for example, projects including new build leisure centres; this project is not really ‘complex enough’ to warrant this procedure.
- **Concession contract** – like car parking concession, all / most risk with operator, specification very flexible, most likely where there is a payment to the Council.
- **Light Touch Regime** – there are no set procedures to be adhered to, however, need to ensure that bidders are treated equally when structuring the tendering stage.

2.5.2 A detailed assessment of each of the above procurement route options is set out at **Appendix 1**.

2.5.3 In light of the detailed assessment and following project team discussion, the officer recommended approach is for an OPEN process.

2.6 **The contract delivery methodology and documentation to be adopted**

2.6.1 The contract will be based on the Sport England template leisure operating contract:

- LSDG Appendix 3 - Leisure operating contract
- LSDG Appendix 2 - Performance monitoring system
- LSDG Appendix 8 - Services Specification

2.6.2 The invitation documents will be based on Council standard documents, where available, but Sport England templates and ITT will be used, bespoke to LBBB requirements.

- LSDG Appendix 9 –SSQ template and guidance
- LSDG Appendix 10 – ITT template and guidance

2.6.3 This will ensure that a market standard approach is used (apart from LBBB project specific requirements). Therefore, the procurement will be able to be completed in the timescales required.

2.6.4 Leases for the Council’s leisure centres will be provided to the operator, giving them the right to deliver the services from the centres.

2.6.5 There will be a performance management system in place, which provides the opportunity for the Council to remedy and, if necessary, terminate as a result of any poor performance.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract

2.7.1 The specification focuses outcomes to be achieved on the following:

- Maximise financial return
- Innovation and rejuvenation of Jim Peters Stadium
- Increasing in participation, particularly under-represented groups
- Meeting health outcomes (for example exercise on referral programmes)

2.7.2 There is a comprehensive list of KPIs being included, based on:

- Participation; based on gender, age, ethnicity, disability, deprivation.
- Strategic outcomes; customer satisfaction, financially and environmentally sustainable facilities, increases in activity levels from underrepresented groups.

2.7.3 The contractor must report back on the KPIs on a quarterly and annual basis.

2.7.4 Each year, they must develop and agree with the Council an annual service plan, setting out the services’ priorities for the following year, based on the Council’s priorities, best practice and previous years’ performance, (to ensure continuous improvement).

2.7.5 Core participation KPIs are set out below.

Core Measures				
KPI	Description	Source	Time period	Analysis
Total members	Total number of members visiting the centre	Leisure Management system feed	Last Quarter vs Same Quarter previous year	% change
Total casuals		Proxies for unique participant equivalent calculation	Last Quarter vs Same Quarter previous year	% change

Core Measures				
KPI	Description	Source	Time period	Analysis
Gender Breakdown Male Female Other	Total number of members and casuals visiting the centre split by gender category	Leisure Management system feed	Last Quarter vs Same Quarter previous year	vs Local Catchment (20min drive time) Numbers and %
Age breakdown: 16-24 25-34 35-44 45-54 55-64 65-74 75-84 85+	Total number of members and casuals visiting the centre split by age category	Leisure Management system feed	Last Quarter vs Same Quarter previous year	vs Local Catchment (20min drive time) Numbers and %
Ethnicity breakdown: White Mixed Asian or Asian British Black or Black British Other Ethnic Group	Total number of members and casuals visiting the centre split by ethnicity	Leisure Management system feed	Last Quarter vs Same Quarter previous year	Numbers and %
Disability breakdown: Long term pain Chronic health condition	Total number of members and casuals visiting the centre registered disabled.	Leisure Management system feed	Last Quarter vs Same Quarter previous year	Numbers and %
Deprivation levels (1-10) based on postcode	Total number of members visiting the centre split by deprivation levels	Leisure Management system feed	Last Quarter vs Same Quarter previous year	Numbers and %
Total throughput	Total number of visits to the centre including members and casuals	Leisure Management system feed	Last Quarter vs Same Quarter previous year	% change
Baseline activity / facility area level	E.g. pools, gym, stadium etc	Leisure Management system feed	Last Quarter vs Same Quarter previous year	% change
Frequency of activity *inactive (less than 30 mins per week) -> less than 1 time per week *fairly active (30 mins – 149 mins per week) -> 1-1.5 times per week		Leisure Management system feed (participants)	Last Quarter vs Same Quarter previous year	% change

Core Measures				
KPI	Description	Source	Time period	Analysis
*active (150 mins or more per week) -> 1.5 times or more per week				

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded

2.8.1 The evaluation criteria (price / quality) will be:

- Price – 60%
- Quality – 30%
- Social value – 10%

2.9 How the procurement will address and implement the Council’s Social Value policy

2.9.1 This contract will contribute to the Council’s Social Value Policy as 10% of the weighting will be for Social Value and tenderers responses will be marked against their commitments in working with the Council to meet its Borough Manifesto goals. Any commitments made by the successful supplier will be monitored throughout the contract as part of the general contract management to ensure these commitments are delivered within the agreed timeframes.

2.10 London Living Wage (LLW)

2.10.1 A requirement to pay, as a minimum, the London Living Wage to all employees working under this contract is included in the specification / contract.

2.11 How the Procurement will impact/support the Net Zero Carbon Target and Sustainability

2.11.1 In September 2023, Cabinet is due to be presented for approval the Council’s Zero Carbon Road Map. The Road Map will be shared with suppliers as part of the procurement process and their proposals on how they will support the Council to achieve its targets will be evaluated.

2.11.2 The leisure centres have high carbon emissions, particularly the pools. The services specification includes the Council’s targets and as part of the tender, Suppliers’ quality method statement shall include:

- how suppliers will support the Council meeting its targets; and
- investment proposals for the centres which will reduce carbon emissions, for example ASHPs, PVs etc.

3. Options Appraisal

- 3.1 The incumbent provider has terminated the existing contract. Therefore, the Council has the option of bringing the services in-house or re-procuring a new contractor within a relatively short timescales to meet the contract end date.
- 3.2 A detailed assessment of the advantages/disadvantages of both options are set out in **Appendix 2**.
- 3.3 In-house management is not deemed viable due to lack of internal resource and capacity to manage the service going forward as well as the fact that all risks associated with running the leisure services including trading, operating, management and maintenance would also be transferred back to the Council. There would also be significant one-off costs to bring the service in-house, particularly for instance in setting up the infrastructure and technology needed for payments, booking and management of memberships.
- 3.4 The external contractor option will transfer a significant amount of risk to the operator and guarantee a fixed management fee for the contract term. External contractors are more commercially focused than in-house operations and the contract and specification will be drafted to meet the Councils outcomes and priorities and ensure quality of service delivery.
- 3.5 Based on the advantages and disadvantages of each option, it is recommended that the Council re-procure the leisure management contract.

4. Waiver

- 4.1 Not applicable.

5. Consultation

- 5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 21 August 2023.

6. Corporate Procurement

Implications completed by Sam Woolvett, Category Manager, Procurement

- 6.1 A full, Open tender process is likely to yield the best value for money for this requirement.
- 6.2 This approach complies with LBBDD's Contract Rules. As the value of this procurement exceeds the threshold for services under the Public Contracts Regulations 2015 (the Regulations), an FTS and Contracts Finder notice will be placed, and timelines and standstill periods will be adhered to.
- 6.3 Corporate Procurement will be assisting with the tender process.

7. Financial Implications

Implications completed by: Sandra Pillinger, Group Accountant

- 7.1 Under the current contract, the leisure operator receives all the income from leisure centre users and bears all the operating costs. The Council receives a fixed management fee from the operator and does not incur any cost. The fee was fixed at the start of the contract in 2017. This was re-negotiated to a lower value after the COVID pandemic as the leisure operator was unable to make the original fee payments because of reduced income.
- 7.2 The financial climate has changed considerably since the procurement of the leisure contract in 2017 and it is unlikely that the re-procurement will achieve similar levels of income to that which were due to be received under the current contract.
- 7.3 **Appendix 4** sets out the anticipated annual fee income from 1 April 2023 to the end of the revised contract – this information is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 7.4 The sums shown in Appendix 4 will no longer be received in full as the existing provider has given notice that it will be terminating the contract early on 14 September 2024. It is anticipated that the existing provider will continue to pay the fee income due until this date.
- 7.5 The Council's Medium Term Financial Strategy (MTFS) has not yet been updated to take into account a potential reduction in income. A reduction in income will have an adverse impact on the Council's finances and will increase the level of savings required to achieve a balanced budget.
- 7.6 Under the re-procured contract, the new operator will pay a fixed fee to the Council. The level of this fee will be determined by the successful bidder, so is not yet known. As part of the tender process, each bidder will provide estimates of income and cost over the life of the contract and the forecast surplus after taking their base level of profit. It is this estimated surplus which will be paid to the Council as a fixed fee. If the actual surplus is more than forecast, then this is subject to a profit-share arrangement, although there is no guarantee that the contract will perform above forecast.
- 7.7 The re-procured contract differs to the current contract in that certain aspects of financial risk have been passed to the Council. There is no budget provision for these costs.
- Changes in utility costs due to price fluctuations will be borne by the Council, subject to a cap and collar.
 - The pension risk of the leisure staff in the LGPS will remain with the Council. Should the employers' contribution to the pension fund increase then the Council will need to pay this cost, subject to a cap and collar.
 - The risk of a shortfall in income due to a potential future pandemic will be met by the Council. The details of this arrangement are being worked through.

- 7.8 A capital investment of approx. £1m is planned for the leisure centres' heating systems in order to reduce energy consumption and costs. The investment was to be funded from borrowing and repaid with interest of 3% from energy cost reductions, if realised, experienced by the leisure provider over a twenty-year period. There will need to be a repayment mechanism set out in the contract with the new operator for the Council to be able to recover the cost of the investment if energy consumption is reduced as anticipated. The Council does not have a budget for the planned investment, so costs will need to be recovered from future operators in full.
- 7.9 If the Operator can demonstrate that further capital investment in the leisure centres will improve the Council's financial return, then LBBB may consider funding this cost. Any investment will need to be repaid by the operator, including interest at base rate plus 3%.
- 7.9 The costs of the re-procurement process has been estimated at £60k. This will be funded from the £200k early termination fee payable by the incumbent provider.

8. Legal Implications

Implications completed by: Ian Chisnell, Locum Major Projects Lawyer

- 8.1 The Council has power under s 19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide sports and leisure facilities and assistance to others in providing them.8.2. It also has the general power of competence available to it under s1 of the Localism Act 2011.
- 8.3 The current provider running the leisure centres referred to in this report has issued a notice of termination and it is proposed to procure a new provider in accordance with the detail in the report.
- 8.4 Any such procurement must be tendered in accordance with the provisions of the Public Contracts Regulations 2015 (as amended), the detail of which is set out in the report.
- 8.5 The staff currently employed will have rights under TUPE in relation to employment and may have rights under the Fair Deal, as referred to in paragraph 9.2 below.
- 8.6 As the current contract has been terminated, the new contract must be set up and mobilised by the termination date, or there will be no contractual provision for the running of the leisure centres.

9. Other Implications

- 9.1 **Risk and Risk Management** - There is a detailed risk register which is being managed through the project team. Some elements of risks management are captured within the proposals set out in this paper.
- 9.2 **TUPE, other staffing and trade union implications** - TUPE is likely to apply between the incumbent operator and the new operator. If the incumbent operator is awarded the new contract, TUPE will not apply.

The TUPE relationship is between the inbound and outbound contractor. However, the Council is not in a position to warrant the TUPE information as there is no employer/employee relationship between the Council and the employees. This means the Council must rely on contractual clauses to ensure the outbound provider supplies that data accurately in order to enable bidders to properly price for employment costs.

Pensions are outside the scope of TUPE. However, the Council has to observe what is known as the 'Fair Deal' described in the Cabinet Office Procurement Policy Note 05/14. This means the pension position of former Council employees is protected on a TUPE transfer regardless of how many transfers have taken place.

It is understood from the incumbent provider that 44 staff are still members of the local government pension scheme. An actuarial valuation is being prepared and will be used to advise the Council of the employer contribution rate for the suppliers to use for tendering purposes.

Any new operator will need to be or become an admitted body to the pension scheme or provide an equivalent pension, the latter of which is highly unlikely. The market will not accept any pension fund risk and will only bid based on the following assumptions:

- the fund is fully funded at the time of transfer,
- that they commit to pay the employer contribution rate and not take any action to negatively impact the fund (for example make any staff redundant with early redundancy benefits or give large over market position pay rises).
- Employer contribution rate increases remain the risk of the Council (subject to any cap or collar mechanism included in the contract).
- If they pay all employer contributions, they will have no risk for any fund deficit at the end of the contract.

9.3 **Corporate Policy and Equality Impact** – An Equality Impact Assessment has been undertaken and is set out at **Appendix 3**.

The successful tenderer will be required to have its own comprehensive set of supporting policies including disciplinary, safeguarding, training, induction processes etc. in accordance with industry best practice.

Further the overall equalities requirement sets out that the services provided must adopt a holistic and inclusive approach to equality of access and participation for all users, regardless of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The Operator must employ sufficient staff, coaches and instructors currently qualified to promote and foster an inclusive approach to the provision of services with appropriate equality and diversity training, disability inclusion training and specialist training for staff delivering instruction or classes.

All new staff will be required to undergo equality and diversity training and disability inclusion training prior to commencing work within the facilities. All staff delivering

services are required to undergo regular (at least once every two years) recognised equality and diversity training and disability inclusion training.

The Operator will be required to submit their Equalities Policy for review before the commencement of the Contract, whenever the policy is amended and whenever deemed necessary by the Local Authority during the Contract term.

The Operator shall be required to undertake equalities monitoring of its staff and of users of the services, at least annually and in accordance with all relevant data protection legislation.

9.4 Safeguarding Adults and Children - The specification sets out the profile of the borough showing:

- 24% of children live in low-income households.
- 55% of the people live in the 20% most deprived areas.
- People from lower income area are less active; 46% of those people from NEC 6-8 meet the recommended levels of physical activity (England average 53%).

A concessionary pricing scheme is to be in place for those people where price is a barrier to using the leisure centres. Elderberry and Price for Life memberships will be protected.

The KPIs which the operator must report on, set out in the table in paragraph 2.7 above, includes demonstrating the number of members using the centres from the most deprived areas and the annual service plan will set out how this participation will be targeted and increased.

9.5 Health Issues - Only 45% of females in Barking and Dagenham meet the recommended levels of physical activity (England average 61%). 71% of adults are classified as overweight or obese and 33% of year 6 children are classified as overweight or obese – both of which are much higher than England averages.

The operator must demonstrate how they will positively impact these health inequality statistics through the operation of the leisure centres and increase the levels of overall participation.

The Operator shall develop an annual Active Communities Plan in partnership with the Local Authority's Public Health team which clearly identifies how any agreed outputs will be achieved. This plan will be monitored and reviewed by the Local Authority on a quarterly basis.

9.6 Crime and Disorder Issues - Under the social value section of the services specification, the Operator must work with the Council and other partners to provide diversionary activities designed to help reduce levels of crime, disorder and anti-social behaviour by people in Barking & Dagenham.

9.7 Property / Asset Issues - The services specification and leases will set out the maintenance split between the Council and the operator.

The Council shall maintain, repair and replace the following items of the Facilities so that they remain structurally sound, wind protected and watertight:

- The structure of the buildings, to include foundations and underground services (excluding those belonging to statutory undertakers), structural steelwork and concrete, load bearing walls and beams (but not the plastered surfaces or finishes of such walls and beams), external walls, roofs, ramps, staircases and floor structure (but not the tiles, surfaces or coverings)
- Access roads, kerbs, car parks and external drains
- External landscaping and pathways
- Renewal / replacement of plant, assets and equipment listed in the Appendix - Lifecycle Replacement Responsibility Schedule (of the specification) as being the Local Authority's responsibility.

Therefore, the Council will retain asset management responsibility – as it has under the current contract - and will need resources to monitor the new operator to ensure it is fulfilling its contractual obligations.

9.8 **Business Continuity / Disaster Recovery** - The operator will be obliged to have available for the Council to review its own emergency and business continuity plan.

In the services specification, the Council has the right to use the Facilities as emergency centres for any borough emergency. The Operator's staff would be expected to assist with the setup of any centres as a rest centre and provide further assistance in any way for which they are qualified during the emergency.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

- **Appendix 1:** Detailed assessment of procurement route options
- **Appendix 2:** Options Appraisal assessment
- **Appendix 3:** EIA
- **Appendix 4:** Concession Fee income under Current Contract (exempt document)