

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	12 MARCH 2020	5
FAIRHAVEN LAKE – ADVENTURE GOLF PROJECT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

At the Tourism and Leisure Committee in March 2019 members recommended the design and construction of a new Adventure Golf course at Fairhaven Lake and Gardens, to complement the planned heritage restoration works.

The approved Capital Programme for 2020/21 contains a figure of £505,000 to deliver the facility, based on a concept design estimate and business case prepared by officers.

This opportunity has now been tendered. This report sets out the context and details the receipt of tenders, tender assessment and makes recommendations to proceed with the project through the letting of the contract to complete the work.

RECOMMENDATIONS

The Tourism and Leisure Committee is requested:

1. To approve the proposed capital expenditure in respect to the scheme as outlined in this report for the sum of £505,000;
2. To approve the letting of the contract to Greenspan Projects for the sum of £446,248 to carry out the scheme as outlined in this report with the remaining budget of £58,752 to be used as a contingency and to purchase the relevant apparatus and equipment for the facility;
3. To note that, subject to the delivery of the scheme being approved by this committee, the revenue implications of the scheme will be reflected in the next update of the Council's financial forecast; and
4. To note that a further report will be presented to a future Council meeting requesting approval for the proposed fee levels as detailed within this report be adopted and subsequently included within the schedule of approved fees and charges for 2020/21.

SUMMARY OF PREVIOUS DECISIONS

Tourism and Leisure Committee 14 March 2019

To support the progression of the proposed bid in conjunction with the Fairhaven Lake Heritage project; and to recommend to Full Council that the proposed capital bid be included in the Fairhaven Lake Heritage project.

Council 25 March 2019

To approve an addition to the Capital Programme in 2019/20 (to be funded from the Capital investment Reserve) in the sum of £505,000 in respect of the Fairhaven Adventure Golf project as detailed within the

report.”

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

REPORT

BACKGROUND

1. During the development phase of the Fairhaven National Lottery Heritage Fund (NLHF) project, an opportunity was identified to further support the restoration of Fairhaven Lake and Gardens with the creation of a high-quality Adventure Golf course.
2. Although primarily the scheme is intended to enhance the leisure facilities for both residents and visitors following the restoration and regeneration of the Fairhaven site, the project was also identified as a potential income-generating opportunity in response to the Commercial Strategy that was approved in 2018. The brief for the project received ‘in principal’ support from Senior Management Team in Spring 2018, on the basis that the facility would provide a positive return on capital investment and be delivered in conjunction with the Heritage funded works at Fairhaven.
3. An initial overview was prepared by officers in the Parks, Leisure and Cultural services team to inform consideration by the Budget Working Group in July 2018. The Budget Working Group supported the project subject to a viability assessment and more detailed capital costs and revenue projections as well as being conditional on a successful lottery bid application for the wider site.
4. A specialist designer was appointed to prepare a concept design, capital cost plan and an outline ‘Return on Investment’ model to inform a full capital bid to be submitted to members for consideration.
5. A concept design was prepared by HM Adventure Golf Ltd to incorporate the following key elements:
 - Course to be designed ‘sensitively’ into the surrounding landscape to fit sympathetically with the themes of the proposed park restoration works;
 - Course to provide a balance between being fun and challenging to suit casual and more ‘advanced’ players;
 - The inclusion of local landmarks as course obstacles to promote Fylde tourist and heritage sites and landmarks;
 - Incorporate facilities which could house a food and beverage offer and viewing area;
 - Incorporate water feature as an interpretation of Fairhaven Lake;
 - Look at the possibility of introducing signature holes from local links courses.
6. HM Adventure Golf Ltd produced an initial draft design and met with the project officer to discuss the various elements of the scheme and made revisions based on initial feedback provided from officers and heritage lottery stakeholders. A second draft of the design was produced and presented to the Tourism and Leisure Committee on 14 March 2019, where it was given approval as part of the capital bid process.
7. This capital bid was considered by and approved at Council on 25 March 2019 in the sum of £505,000 to be funded from the Capital Investment Reserve.
8. The proposed Adventure Golf Course is an integral part of the Fairhaven masterplan that has been agreed with the National Lottery Heritage Fund, Fylde Council, stakeholders and the Fairhaven NLHF Project Board. The NLHF are fully aware of the proposal and support this facility given that it is consistent with Fairhaven

having an historic link to golf, and this facility would replace the existing out-dated 'crazy golf' course which will be removed as part of the 'core' restoration works.

PROCUREMENT PROCESS & EVALUATION

9. Officers from the Tourism and Cultural Services Team have led the procurement process on a 'design and build' basis, whereby the appointed contractor is required to complete the design and undertake the construction works.
10. The tender process was undertaken via an open procedure. The opportunity was advertised on 29 November 2019 via 'Chest Procurement Portal' with a submission deadline of 10 January 2020.
11. The suppliers were given a project value figure of £450,000 and an extensive set of tender documents on which to base their submission. The remaining budget of £55,000 is to be retained by the council to provide a contingency and to allow the purchase of apparatus and equipment for the facility. The officer team evaluated based on quality only, to ensure that cost certainty was achieved pre-tender and that budget constraints were not exceeded.
12. 26 Expressions of interest were received, however of these 26, only 2 formal submissions were made.
13. The quality evaluation section was scored as follows:
 - 0 *The Evaluation Panel felt that none of the requirement was met or demonstrated or no response was provided.*
 - 1 *The Evaluation panel felt that a few areas (20% or less) of the requirement has been met or demonstrated.*
 - 2 *The Evaluation panel felt that some areas (between 21% and 59%) of the requirement has been met or demonstrated.*
 - 3 *The Evaluation panel felt that most of the requirement (between 60% and 75%) has been met or demonstrated with some areas missing/requiring improvement.*
 - 4 *The Evaluation panel felt that most of the requirement (between 75% and 90%) has been met or demonstrated.*
 - 5 *The Evaluation Panel felt that the supplier had met or demonstrated most or all of the requirement (between 90% and 100%)*
14. The result of the tender evaluation exercise is set out below in two tables: Table 1 – Desk top evaluation of Adventure Golf proposals from companies making a formal submission; and Table 2 – Presentation evaluation of Adventure Golf proposals from companies making a formal submission. The evaluation panel comprised of officers from the Tourism and Cultural Services Team, and a representative from the Friends of Fairhaven Lake and Gardens

Table 1 – Desk top evaluation of Adventure Golf proposals from companies making a formal submission

Item	Item Weighting	HUSH MINOAN	GREENSPAN PROJECTS
Quality of design submission including look and feel, creativity and playability of course.	20%	4	5
Weighted Sub Total		16	20
Robust design and specification, demonstrating long lifecycle and ease of maintenance	20%	4	5
Weighted Sub Total		16	20
Design which provides resilience to unauthorised access and addresses security concerns	10%	4	4
Weighted Sub Total		8	8
Sensitive and attractive hard and soft landscaping design and material selection demonstrating key user circulation and flows within the Adventure Golf course	10%	3	4
Weighted Sub Total		6	8
A programme that satisfies the Council's key requirements and includes all key stages from contract award to contract closure. Please indicate the critical path.	10%	5	3
Weighted Sub Total		10	6
Quality of commentary and appraisal of Fylde Council's proposed business plan	5%	1	0
Weighted Sub Total		1	0
Site delivery team and relevant experience/qualifications	10%	5	3
Weighted Sub Total		10	6
Approach to handover and aftercare/resolution of defects	5%	3	4
Weighted Sub Total		3	4
Approach to Health and Safety on site	5%	3	3
Weighted Sub Total		3	3
Quality and extent of the breakdown of the Contract Sum Analysis including preliminaries	5%	3	5
Weighted Sub Total		3	5
Total	100%	76	80

15. As the resultant scores were within 5 percentage points of each other, Fylde reserved the right to invite the top 2 scoring tenderers to a final presentation.
16. The results of the presentation evaluation are contained below:

Table 2 – Presentation evaluation of Adventure Golf proposals from companies making a formal submission

Item	Item Weighting	HUSH MINOAN	GREENSPAN PROJECTS
Please describe your understanding of the employer's requirements and how these will be incorporated within the final design / contractors' proposals.	10%	4	4
Weighted Score		10	10
Appreciation of and approach to risk management is vital to the success of project delivery and this project will be no different. Please describe the key risks on the project as you see them and how these will be mitigated to ensure successful project delivery in line with the client's requirements.	15%	2	3
Weighted Score		7.5	11.25
Please expand on your proposal regarding the proposed facility lifecycle. The Council would like to understand in detail the various warranty/guarantee timescales for key construction elements so that future maintenance costs can be clearly identified and set aside.	15%	3	4
Weighted Score		11.25	15
Effective programme management will be required to ensure the project is delivered on time and before the summer holidays in 2020. Please explain your approach to management of your proposed delivery programme. In particular we would like to understand the key tasks you will undertake building up to and including practical completion to ensure the transition from a project to a service is as smooth as possible.	20%	3	4
Weighted Score		15	20
Please introduce your key personnel and explain their specific roles and duties to be carried out on this project. Please outline their experience on similar schemes.	10%	4	4
Weighted Score		10	10
Please outline your approach to site logistics and delivery of the physical works. Describe your understanding of access, adjacencies and any other interface issues that need to be addressed before start on site.	20%	4	3
Weighted Score		20	15
Please explain in more detail your offer of aftercare services i.e. who will be involved, how frequent their services can be called upon, how knowledge from the project will be continued through to the defect's liability period.	10%	3	4
Weighted Score		7.5	10
Total	100%	81.25	91.25

17. The highest scoring tenderer from the evaluation is Greenspan projects and a selection of their design submission documents is contained at Appendix A.

FINANCE DETAILS

18. A fully priced cost breakdown of the tender sum of £446,248 is provided at Appendix B.
19. The remaining £58,752 will be retained to purchase essential equipment and for contingency to cover unforeseen events occurring within the remaining design and construction phases.

METHOD AND COST OF FINANCING THE SCHEME

20. Funding for a scheme for this purpose is included within the approved Capital Programme for 2020/2021 in the sum of £505,000.

FUTURE REVENUE BUDGET IMPACT

21. Revenue impact for the first year of operation is identified in Table 3 below. A longer term forecast for the Adventure Golf revenue (and wider Fairhaven restoration) impact will be included within the MTFS for financial year 2021/2022, to reflect the completion of the physical restoration project and the operation of the new Fairhaven facilities.

Table 3 - Expenditure Estimate - Year One (Financial Year 2020/2021 – Planned opening in July 2020)

Element	Cost
Direct Costs (agency staff)	£45,387
Running Costs (equipment, materials and overheads)	£16,980
Total	£62,367

22. The above expenditure figures for year one are based on the new Adventure Golf facility being temporarily supervised by existing staff within the Parks, Leisure and Cultural team and using agency staff to operate the facility on a day-to-day basis. The supervisory role for Adventure Golf will be undertaken by the new Fairhaven management team once appointed in Financial Year 2021/2022 to coincide with the completion of the wider restoration project. It must be stressed that the figures included above are a best estimate at this time.

Table 4 - Income Estimate Year One (Financial Year 2020/2021 – Planned opening July 2020)

Time Period	Income
Out of season (18 out of 30 weeks)	£39,096
Peak Season (8 weeks)	£54,144
15,540 visitors @£7 Adults & £5 Juniors (assume 50/50 split)	
Total	£93,240

23. The above income figures in Table 4 for year one are a revised forecast (from information presented to the T&L Committee March 2019) based on the facility opening at the beginning of July 2020. The rates for the course have been benchmarked against similar regional courses and are proposed to be £7 for adults and £5 for juniors. If approved, a further report will be presented to a future Council meeting requesting that these fee levels be included within the schedule of approved fees and charges for 2020/21. It should be noted that the expenditure and income figures listed above are the latest best estimates, as the facility is new and untested. Fairhaven Lake and Gardens will be under major construction from around September 2020 until summer 2021, as the wider Heritage restoration works are undertaken.

24. The new Fairhaven staffing structure will be implemented and operational for April 2021 to coincide with completion of the wider restoration project. Agency costs will reduce slightly as the new staff in the structure will carry out duties on the golf such as cashing up, opening and closing. The internal re-charges on the scheme will increase to cover indirect costs of the Fairhaven structure and help to supplement the wider business plan for the park. Modest estimates show that the Adventure Golf course is expected to generate a revenue surplus of around £50k per annum when all the construction works are completed. The facility will also contribute to the financial viability of the wider Fairhaven regeneration scheme through increased customer footfall. Table 5 below shows the latest best estimates of income and expenditure over the next 3 years.

Table 5 - 3-year Income and Expenditure forecast

	2020/2021	2021/2022	2022/2023
Expenditure	£62,367	£91,099	£91,099
Income	£93,240	£142,032	£142,032
Surplus	£30,873	£50,933	£50,933

VALUE FOR MONEY AND DETAILS OF PROCUREMENT PATH

25. In order to ensure that value for money is achieved a procurement exercise has been undertaken in accordance with the Council's contract procedure rules. Selection of the successful tenderer is on the basis that value for money is a key consideration as well as the suitability of the new facility.

SUMMARY

26. The proposal is to award the tender to design and install the Adventure Golf Course at Fairhaven Lake and Gardens as per the agreed tender specification to Greenspan Projects to the value of £446,248. The remaining £58,752 will be retained to purchase essential equipment as well as contingency monies to cover unforeseen events during the design and construction phases. Once approved this project will be delivered and completed by the beginning of July 2020.

IMPLICATIONS	
Finance	This report requests approval for expenditure in respect of the Fairhaven Adventure Golf project as outlined in this report. The approved Capital Programme for 2020/2021 includes a sum of £505,000 for the project. The report also requests approval to the letting of the contract for the scheme. If the delivery of the scheme is approved, the revenue implications will be reflected in the next update of the Council's financial forecast. A further report will also be presented to a future Council meeting requesting approval for the proposed fee levels as detailed within this report be adopted and subsequently included within the schedule of approved fees and charges for 2020/21.
Legal	None arising from this report
Community Safety	Provision of modern recreational facilities is important in terms of providing diversionary activities.
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	The proposals seek to incorporate low maintenance materials and to complement existing play and leisure provision. Lifecycle costs have been considered during the tender process.
Health & Safety and Risk Management	The quotation requests included Health and Safety information

	which will be developed by the successful contractors prior to starting on site to safeguard the public.
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LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Tourism and Leisure Committee	14 th March 2019	Link
Full Council	25 capital costs capital costs March 2019	Link

Appendices

Appendix A – Greenspan Projects Design Submission Documents

Appendix B – Greenspan Projects Contract Sum Analysis