

Item No: 15.	Classification: Open	Date: 20 September 2011	Meeting Name: Overview & Scrutiny Committee
Report Title:		Overview & Scrutiny Call-in Decision: Procurement Strategy and Procurement award of Local Education Partnership to deliver design work for the Elephant and Castle Leisure Centre and adjacent residential building Procurement Strategy for the appointment of the Local Education Partnership to construct the new Elephant and Castle Leisure Centre	
Ward(s) or Group affected:		Cathedrals	
From:		Overview & Scrutiny Committee	

RECOMMENDATIONS

1. That the cabinet be requested to instruct officers to consult with Sport England and England Squash and Racquetball regarding design solutions to re-provide the two squash courts in a multi-use sports facility at the new Elephant & Castle leisure centre.
2. Should this be impossible, that cabinet be requested to seriously investigate the option of providing an equivalent squash court provision elsewhere in the borough.
3. That no later than the letting of the construction contract the cabinet satisfies itself that
 - a "fixed price contract" as referred to in paragraph 24 of the report will be entered into and
 - the monitoring of "value for money" is genuinely robust and independent

BACKGROUND INFORMATION

4. Overview & Scrutiny Committee considered a call-in of this matter at their July meeting. The committee agreed not to refer the decision back for further consideration but made other recommendations for cabinet, as set out at paragraphs 1 – 3 above
5. On 30 June 2011 the cabinet member for finance, resources and community safety considered a report on the procurement strategy for the Elephant and Castle Leisure Centre and adjacent residential building.
6. The cabinet member:
 - Approved the procurement strategy and award of contract to 4 Futures (Southwark's Local Education Partner) to undertake design services for the

submission of the planning application for the Elephant and Castle Leisure Centre and adjacent residential building

- Approved the procurement strategy for the appointment of 4 Futures (Southwark's Local Education Partner) to undertake the construction of the Elephant and Castle Leisure Centre
- Noted that the final award of the contract for construction will be subject to a further procurement report for approval by Cabinet
- Noted the Value for Money (VfM) Protocol document will be adhered to ahead of any future award of construction contract.

CALL-IN PROCESS

7. On 7 July 2011 the Chair of Overview & Scrutiny Committee - Councillor Cathy Bowman - and three members of the committee (Councillors Eckersley, Hubber and Noakes) requested a call-in of the decision on the following grounds:

- Inadequate justification of value-for-money and compliance with the MTRS by virtue of it being a non-competitive contract award.
- Lack of clarity re. relative cost/benefit analysis of multi-purpose sports hall v cafe provision. (England Squash & Raquetball projects build cost per squash court to be £40k and annual return to be circa £12k. Where are the projections - in terms of build costs and return - for a cafe and/or a crèche?).

No analysis of impact of decision to jettison squash courts and sports hall on a key strategic aim of the Council's Sport and Physical Activity Strategy, namely "Improving access and choice for the whole population".

8. The committee considered the call-in at its meeting on 11 July 2011. It received evidence from Councillor Richard Livingstone, the cabinet member, and Councillor Geoffrey Thornton, a ward member.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Cabinet member decisions	160 Tooley Street London SE1 2QH	Bola Roberts Constitutional Team 020 7525 7232
Overview & Scrutiny Committee Agenda		Peter Roberts Scrutiny Team 020 7525 4350

AUDIT TRAIL

Lead Officer	Shelley Burke, Head of Overview & Scrutiny	
Report Author	Peter Roberts, Scrutiny Project Manager	
Version	Final	
Dated	8 September 2011	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Communities, Law & Governance	No	-
Cabinet Member	No	-
Date final report sent to Constitutional Team	8 September 2011	