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Contract

Leisure Services

Shropshire Council

F25: Concession award notice

Notice identifier: 2022/S 000-019682

Procurement identifier (OCID): ocds-h6vhtk-03538a

Published 19 July 2022, 4:05pm

Section I: Contracting authority/entity

I.1) Name and addresses

Shropshire Council

Shirehall, Abbey Foregate

Shrewsbury

SY2 6ND

Contact

Procurement

Email

procurement@shropshire.gov.uk

Telephone

+44 1743252992

Country

United Kingdom

NUTS code

UKG22 - Shropshire CC

Internet address(es)

Main address

www.shropshire.gov.uk

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Leisure Services

Reference number

RMC 133

II.1.2) Main CPV code

- 92610000 - Sports facilities operation services

II.1.3) Type of contract

Services

II.1.4) Short description

Management, operation and promotion of sports facilities in Shropshire

II.1.5) Estimated total value

Value excluding VAT: £62,000,000

Method used for calculating the estimated value of the concession

As set out in Article 8 of the directive

Estimated value of the 5 year extension is 20200000.00 inclusive of VAT which is less than 50% of the estimated value of the original concession

II.1.6) Information about lots

This concession is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £62,421,234

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKG22 - Shropshire CC

Main site or place of performance

Shropshire CC

II.2.4) Description of the procurement

Management, operation and promotion of the sports facilities at the following locations: The Quarry Swimming and Fitness Centre, Shrewsbury Sports Village, Oswestry Leisure Centre and Market Drayton Swimming Centre

Modification of Shropshire's concession contract to extend the original 10 year contract partly but not wholly in accordance with the terms of the concession contract. The extension is 5 years with modified provisions which are not in accordance with the contractual modification terms as set out in detail below at paragraph 3 (last paragraph of this award notice). These include a break provision at year 2 on 12 months notice by either party. The Original concession started on 1/8/2012 and ends on 31/7/22 with modification the concession is extended to 31/07/27

II.2.5) Award criteria

Concession is awarded on the basis of the criteria described below:

- Criterion: This is the extension of a Concession

II.2.7) Duration of the concession

Start date

1 August 2022

End date

31 July 2027

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section IV. Procedure

IV.1) Description

IV.1.1) Form of procedure

Award procedure without prior publication of a concession notice in the cases listed below

- The services can be provided only by a particular economic operator for the following reason:

- absence of competition for technical reasons

Explanation:

Prior to the modification the concession was a 10 year contract for service delivery by the concessionaire at the leisure centres identified at II.2.4 from 1st August 2012. The contract includes wide modification provisions including specifically the opportunity for a 5 year extension together with modification to the terms or scope of the contract.

The following terms are outside the modification terms in the contract:

A break provision at year 2 on 12 months notice by either party

A rebasing of the base cost for utilities from the annual base cost and cost set out in the contract which is the actual cost of base usage for the financial year 2012/13 to the annual base cost for each utility shall be for the period 1st August 2022 to 31st July 2023 of the base usage for that 12 month period for each utility.

A payment to the concessionaire which is part of the overall payment to reflect their revenue gap whereas without this the overall revenue payment to them would have significantly decreased

The completion of negotiations outside the timetable for agreeing these set out in the contract which provides for the negotiations to be completed by 31st March 2021.

All of the above terms are considered to be outside the modification provisions of the contract.

The changes to the modification provisions are necessary because of the Worldwide Sars (COVID) pandemic together with a significant recent increase in energy prices, neither of which the contracting authority could have foreseen as provided for in article 43 of the directive. The VAT inclusive and VAT exclusive figures are identical because of the VAT status of the concessionaire and agreed commercial terms.

This contract award is conditional on further authority of Shropshire Council being obtained during week commencing 25 July 2022.

Section V. Award of concession

A concession/lot is awarded: Yes

V.2) Award of concession

V.2.1) Date of concession award decision

18 July 2022

V.2.2) Information about tenders

Number of tenders received: 1

Number of tenders received from SMEs: 1

The concession has been awarded to a group of economic operators: No

V.2.3) Name and address of the concessionaire

Shropshire Community Leisure Trust Ltd

Office 6, Town Hall, 86 Watling Street East

Towcester, Northants

NN12 6BS

Country

United Kingdom

NUTS code

- UKG22 - Shropshire CC

National registration number

IP031079

The concessionaire is an SME

Yes

V.2.4) Information on value of concession and main financing terms (excluding VAT)

Initial estimated total value of the contract/lot/concession: £62,000,000

Total value of the concession/lot: £62,421,234

Section VI. Complementary information

VI.3) Additional information

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=704289660>

GO Reference: GO-2022719-PRO-20635238

VI.4) Procedures for review

VI.4.1) Review body

Shropshire Council

Shirehall, Abbey Foregate

Shrewsbury

SY2 6ND

Email

procurement@shropshire.gov.uk

Telephone

+44 1743252992

Country

United Kingdom

VI.4.4) Service from which information about the review procedure may be obtained

Shropshire Council

Shirehall, Abbey Foregate

Shrewsbury

SY2 6ND

Telephone

+44 1743252992

Country

United Kingdom