

Review of the award of Trent Park Café Lease to Go Ape

Overview and Scrutiny Meeting 15 May 2012

A petition from 'The True Friends of Trent Park' against a change of service provider at the Trent Park Café was considered at the Overview and Scrutiny Committee (OSC) meeting on 15 May 2012. It was agreed by the Committee that a review of the tender process would be undertaken by the Council's Audit and Risk Management Service.

Background

The Council carried out a tender exercise, which it advertised in December 2011, for the award of a twelve year lease of the Trent Park Cafe. Following this a decision was made on 4 April 2012 to award the lease to Adventure Forest Ltd (Go Ape). The company, which trades as 'Go Ape', currently operates the café under the name 'The Forest Café'.

The tender exercise was led at an operational level by the Parks Service and supported by Property Services and Corporate Procurement.

Pre Tender

The proposed award of a new lease was treated as a Council 'Key Decision' and the proposal to tender for the lease was published on the Council's monthly updated Forward Plan, first appearing on 2 January 2012.

Consultation with the public was limited and whilst this failed to meet the aspirations of some sections of the public it did not breach any statute or guidelines. An action agreed for the Parks Service at the OSC meeting on 15 May 2012 was that 'in future the consultation process will be widened to involve as many service users as practical'.

There were adequate levels of advertising of the tender undertaken to ensure appropriate levels of commercial interest.

The Tender Exercise

Whilst the operational staff employed on the tender exercise were experienced officers, the Parks Service did not have in place a standard and formal procedure template for those officers to follow for procurements of this nature. This led to a lack of certainty and clarity in individual's roles, responsibilities and the procedures to be followed to let the Trent Park Café Lease. Some of the processes followed did not, in all cases, prove to be

sufficiently robust to wholly demonstrate that the Council was acting fairly and in accordance with best practice. Services are currently setting out how they will standardise procedures to be followed in all future such tender exercises.

The tender invite paperwork was not sufficiently comprehensive. This led to difficulties with some of the bidders later when details were explored with them which should have been clear from the outset via disclosure in the tender invite paperwork.

Twenty three bids were received by the closing date of 13 January 2012 and these were opened, in accordance with required procedure, by a Parks Service Officer in the presence of a Corporate Procurement Officer and a contemporaneous record of the bids was drawn up.

The Council's liaised further with the five highest bidders. This liaison and subsequent assessment was not sufficiently formalised, uniform and did not adhere to good practice.

The tender exercise would have benefited from a greater segregation of duties, better operational judgements and more stringent management monitoring of the process.

The Award Decision

The decision making process included a review of references and business plans of the two highest scoring bidders to ensure their suitability for award of the lease.

An error was made in assessing the most economically advantageous tender. This led to the drawing up of a Delegated Authority Report recommending that the lease be awarded to Go Ape. The disclosure within the report did not allow for identification of the error made and the report was consequently approved.

When this error was identified by the Internal Audit review the Council instructed a Barrister to consider the matter. The advice provided to the Council was that the lease should be re-tendered for. This advice is being acted on and the Council is currently in the process of arranging for the re-tendering of the lease.

Management are currently addressing the recommendations raised in the report and the lessons learned from this review will be used to improve future tender exercises and this will include consideration of implementing standard departmental audits of tender exercises.