



Report of Contract Administration Officer

Report to Chief Officer of Parks and Countryside

Date: 29th July 2014.

Subject: Request for authority to spend for the refurbishment of Tropical World aquarium.

Capital Scheme Number: 16504 000 000

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Roundhay	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In February and December 2012 reports were brought to Executive Board detailing proposals to enhance Tropical World in light of a generous donation towards enhancing visitor facilities at the site by the Ziff family. This report highlighted that the refurbishment of the site would take place in phases. £720k was injected into the capital scheme 16504 000 000.
2. Phase 1 of the overall scheme has been implemented and this delivered the following improvements on site:
 - The relocation of the existing crocodiles to a new walk over enclosure.
 - A redesigned and refreshed visitor entrance including a new children's zone and improved retail outlet.
3. In October 2013, Executive Board approved an authority to spend of £507k, against capital scheme 16504 000 000, to deliver works associated with phase 2 year 1 of the refurbishment project. This contract encompasses the following works;
 - The development of a conservatory extension to the café and;
 - The construction of a new toilet block.
4. The refurbishment of the existing aquarium space requires a specialist contractor to design and build a bespoke aquarium for the site. The complex and technical nature of this work necessitates the procurement of a company with experience in

delivering similar projects. A Market Testing survey has been completed with sufficient interest expressed by high-quality companies that the Project Team feel comfortable in moving forwards in the procurement process.

Recommendations

Chief Officer of Parks and Countryside is requested to:

- a. Provide authority to spend £200k against capital scheme 16504 000 000 in the 2014/15 financial year to deliver the refurbishment of the aquarium space at Tropical World.
- b. Provide authorisation to instruct procurement to start the tender process.

1 Purpose of this report

- 1.1 The purpose of this report is to update the Chief Officer of Parks and Countryside on progress made regarding the plans to refurbish the aquarium space at the Arnold and Marjorie Ziff Tropical World in Roundhay Park. This will include details on the procurement route that shall be utilised to achieve the refurbishment of the aquarium, and a justification of this route and the Authority to Spend required to ensure the project is a success.

2 Background information

- 2.1 The Arnold and Marjorie Ziff Tropical World has been open to the public since 1984, and originally functioned as an indoor botanical garden. The site is made up of several interlocking buildings including Coronation House, which was the original show house for the estate, and the Tropical House. In recognition of the Ziff family, who for many years have been patrons of the park and generous benefactors, the site was renamed the Arnold and Marjorie Ziff Tropical World in 2009.
- 2.2 The attraction is a highly regarded visitor destination that benefits the residents of Leeds and surrounding areas. Improving the visitor attraction and maintaining a high level of service provision for members of the public is a key priority for the Parks and Countryside service. Meeting this objective will ensure that both the residents of Leeds and visitors to Leeds continue to visit and enjoy Tropical World which will safeguard future income streams and support key strategic priorities relating to Child Friendly Leeds.
- 2.3 In 2012 Leeds City Council received confirmation that the Ziff family would like to extend their long standing patronage of Tropical World with another generous donation towards enhancing visitor facilities. A business plan was developed to provide further capital funding to supplement this donation.
- 2.4 In February and December 2012 Executive Board approved the injection of £720k into capital scheme 16504 000 000 and agreed the following improvements at Tropical World;
 - Development of a new entrance space and bespoke education / children's zone.
 - Provision of the new crocodile enclosure.

- Construction of café extension.
- Development of the new aquarium.
- Enhancement of the nocturnal zone.
- New interpretation and educational information.
- New toilet and baby changing facilities.

2.5 From the inception of the capital improvement scheme and throughout the design process, due consideration has been given to keeping Tropical World open for visitors during the construction and implementation of the project. It was therefore proposed to deliver the scheme in 2 distinct phases, with the second phase spread over 2 years.

2.6 Phase 1 of the project was delivered by the Parks and Countryside service and was completed in April 2013. This was formally opened by the Ziff family in June and the improvements have been recognised by positive comments from visitors. The following bullet points summarise the improvements delivered in phase 1;

- Development of a new entrance space and bespoke education / children's zone.
- Provision of the new crocodile enclosure.

3 Main Issues

3.1 Phase 2, year 2 shall deliver the following works:

- Refurbishment of the existing aquarium space.
- Enhancement of the nocturnal zone.
- New interpretation and educational information.

The aquarium represents a key attraction within Tropical World and is an integral part of the visitor experience. Of the works listed in phase 2, year 2 above, the refurbishment of the aquarium space is the most significant. This shall be a highly specialised piece of work that shall require a bespoke design for the site which cannot be undertaken in-house due to the technical nature of the products to be fitted.

3.2 Consultation with procurement and feedback from the Market Testing has made clear that it would not be feasible to reduce the £200k budget proposed for the refurbishment of the aquarium space without severely compromising on the quality and extent of refurbishment.

3.3 To ensure that the works are completed within the period January 5th to February 10th 2014 (prior to February half-term), closure of Tropical World will have to be agreed. There is potential for the contractor to begin preliminary works from December 15th 2014.

3.4 Procurement Route for Refurbishment of the Aquarium Space

3.4.1 To determine appetite in the market for taking on the refurbishment of the aquarium space at Tropical World, a Market Testing document was published on Yortender in late January 2014 with a two-week deadline. This produced nine responses from companies interested in applying for a design and build tender, including those who are top organisations in the field having have worked at major tourist attraction sites such as The Deep, Hull, SEA LIFE aquariums and Chester Zoo.

3.4.2 It is anticipated that the quality of respondents to the Market Testing shall be sufficient to produce a successful tender process that will result in a company being selected who can deliver this project within budget but still to a high quality. These companies have extensive experience in constructing bespoke aquariums that comply with relevant legislation, and have the means to deliver this aquarium space refurbishment to a quality fitting of Tropical World.

3.4.3 It is proposed that the procurement process moves towards with a two-stage tender. This shall be conducted in the following manner:

- Stage 1 – Open tender meaning all companies can apply. Those companies that completed the Market Testing document shall be specifically informed that the tender for the aquarium space refurbishment is live. The contract shall be awarded on a 25:75 price:quality split. While this is in variance to the requirements of CPR 15.2 which says the pricing element should comprise a minimum of 40% of the evaluation criteria, the rationale behind a 25% price element is due to the use of a two-stage tender, meaning this first stage shall only be assessing the tenderer on the price they provide for completing a condition survey of the aquarium, and designs for the aquarium. As a result, it is more important to focus on the quality of the potential contractors, and their capacity to complete the works in the future to ensure an appropriate contractor is selected. The contract shall represent the value that the contractor deems necessary to undertake design work and a condition survey of the aquarium space. This value shall be paid upon completion of the designs and condition survey. The price and quality split shall be assessed on the following grounds:

- Price: Due to the complexity of the aquarium space at Tropical World, and the number of unknowns in terms of the condition of materials, it was decided that it would be unrealistic for any potential contractor to price their works without detailed knowledge of the site. As a result, in the pricing evaluation potential contractors shall only be evaluated on the cost they provide for the design of the aquarium space and the completion of a condition survey of the aquarium space. The condition survey shall provide a thorough assessment of all materials in the aquarium space, and back-of-house and provide information on what materials need replacing, and the lifespan remaining of those that do not.
- Quality: The contractor shall be evaluated on the indicative designs they provide for Tropical World aquarium, and their previous experience in constructing and refurbishing aquariums. They shall also be evaluated on the experience and knowledge of their staff, and the quality of the management

plan they provide detailing how they shall achieve the completion of the project in the specified time.

- Stage 2 – Providing Parks & Countryside is satisfied with the outcome of the Stage 1 tender process and the designs produced, the second stage of the tender process shall proceed, and another contract be awarded to the Stage 1 contractor for the remaining value of the budget (£190k minus Stage 1 costs).

3.4.4 The tender documents shall advertise that £190k is available to complete these works. This shall enable Parks & Countryside to retain a £10k contingency fund that can be used to ensure project delivery and add value.

3.4.5 A provisional procurement programme for the refurbishment of the aquarium space is included below;

Date	Activity
January 2014	Market Testing Out (2 weeks)
February 2014	Market Testing Return
Late July 2014	Tender Out (40 days)
Early September 2014	Tender Return
Mid September 2014	Tender Acceptance
Mid September to late October 2014	Work with contractor to produce designs for site within £190k budget.
November 2014	Award Stage 2 contract
December 2015	Start on site

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Previous reports to Executive Board highlighted that 98 % of people surveyed said that they support the proposals for improvement at Tropical World. The salient points from the consultation undertaken are highlighted below:

- 84% of people surveyed felt the range of visitor facilities that are available are 'good' or 'very good'.
- 66% rate the facilities and or services that are provided for children and their parents positively and 31% regarded them as 'fair'.
- 67% of people surveyed felt that they could identify areas for improvement that would encourage them to use Tropical World more often, or stay for longer.
- The main areas identified through consultation for improvement were as follows:
 - On site toilet facilities.
 - Improved attractions.
 - Improved children's facilities.
 - Enhanced café facilities.

4.1.2 The Executive Member for Environmental Services, Roundhay Ward Members and the Friends of Roundhay Park were briefed in 2013 regarding the full extent of the improvements to be made to Tropical World, and have positively endorsed these proposals.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 A full EDCI Impact assessment has been undertaken for the facilities and infrastructure at Roundhay Park, including Tropical World. This is attached in Appendix 1.
- 4.2.2 This assessment identified that Tropical World is DDA compliant but there are built environment barriers that require addressing. Work undertaken in Phase 1 addressed issues associated with the provision of accessible entrance and exit doors. The improvements to Tropical World that are proposed for implementation in the first tranche of works proposed in phase two will address identified equality issues relating to the requirement to provide accessible toilet facilities. The second stage of works in phase two will have no impact on rectifying any issues addressed in the EDCI Impact assessment.

4.3 Council policies and City Priorities

- 4.3.1 The Vision for Leeds 2011 to 2030 is to be the best city in the UK by 2030. The aspiration is that Leeds will be the best city to live where people can enjoy good quality places, green spaces and high quality buildings.
- 4.3.2 The Best Council plan sets out a new leadership style of civic enterprise, where the council becomes more enterprising, whilst businesses and partners become more civic.
- 4.3.3 The implementation of improvements at Tropical World will assist in meeting these objectives by providing a vastly enhanced visitor attraction for the enjoyment of Leeds residents.

4.4 Resources and value for money

4.4.1 Full scheme estimate

- 4.4.2 In February 2012, Executive Board approved the injection of £600k into the capital programme within scheme number 16504 000 000 for costs associated with this project. An injection of a further injection of £120k was approved by Executive Board in December 2012 creating a total capital budget of £720k.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This report is not eligible for call in due to the proposed award value, and as a result is considered a 'Significant Operational' decision. Any alterations made during the refurbishment of the aquarium do not require planning consent due to being fully internal to the building.

4.6 Risk Management

- 4.6.1 Failure to award the contract and commence with procurement in line with the indicative time table outlined in 3.5 of this report will lead to the further the delay of this aspect of the refurbishment of Tropical World.

5 Conclusions

- 5.1 A two stage tender procurement process for the refurbishment of the aquarium space at Tropical World is deemed suitable to provide a refurbished aquarium space at Tropical World.
- 5.2 This tender process is capable of progressing once authorisation for spending has been granted. Sufficient high-quality responses were obtained through a Market Testing that satisfies the Project Team that the project can be taken on by a contractor capable of completing the project to a high standard.

6 Recommendations

- a. Provide authority to spend £200k against capital scheme 16504 000 000 in the 2014/15 financial year to deliver the refurbishment of the aquarium space at Tropical World.
- b. Provide authorisation to instruct procurement to start the tender process.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.