

CASE STUDY

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Liverpool City Council – Securing the future of affordable, accessible golf provision and £1.7m financial savings
In October 2013, V4 Services was engaged by Liverpool City Council to assist the Council in the procurement process to appoint a specialist golf operating partner for the management, maintenance and development of Liverpool North and Allerton golf courses.



› The challenge

The City Council's objectives were to:

- Ensure the future viability of the Council's two Golf Courses by eliminating the operational subsidy.
- Secure the provision of affordable and accessible pay and play golf which is not based upon membership.
- Secure benefits from the application of specialist skills and golf industry expertise.
- Attract external investment to improve the facilities and golf related services.
- Encourage the innovation that a collaborative relationship with a specialist Golf Operating Partner should deliver.
- Seek development which is complementary to the surrounding neighbourhoods and is beneficial to the Council.
- Transfer all aspects of the repair and maintenance of the buildings within the boundaries of the two course to a new operator.
- Transfer employment of all employees directly engaged in the operation of the courses and acting as the client for any sub-contractors to the new operator.
- Transfer responsibility for the liabilities for all building and course repairs and lifecycle maintenance via a full repairing lease.
- Retain the freehold of the land and premises.

V4 Services were asked to provide specialist knowledge and advice working with the Council's Leisure, Procurement, Planning and Legal Teams.

“ This is a really good deal for the city council. It will not just save money, but it will also secure the future of two long standing sports facilities.

We can no longer afford to subsidise the courses, but we know how much they are appreciated by the people who use them. That is why we have worked extremely hard over the last few months to put together a deal that satisfies everyone.

This arrangement will make sure that the golf courses continue to operate at a price that is affordable to users and receive investment to make them sustainable in the long term.

Although we are having to make tough decisions due to the severe cuts in central Government funding, we are determined to do all we can to make sure that we find alternative and innovative ways of securing the future of well-loved community facilities.

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Council Spokesperson



› The solution

V4 Services acted as advisor to the Council on all procurement and commercial matters, and we advised on the development of the process documentation and legal agreements. Our team helped to refine and recalibrate the Council's requirements following initial market testing. We then assisted in the early negotiations between all parties.

We were also asked to:

- Review the potential for reducing or eliminating the current Council subsidy for the operation of two golf courses.
- Consider the procurement route and design a process that was EU compliant and likely to produce the best commercial outcome.
- Draft the documentation set, including defining the Council's requirements and establishing the risk transfer required.
- Support and advise on the early stages of the procurement and award process, including bid evaluation.

› The benefits

- L32 Trading Ltd became the new operators of Liverpool North (Kirkby Golf Course) in the spring of 2014 and Allerton Golf Trading Ltd manage Allerton Golf Course.
- The new arrangements will save the Council around £1.7m over the next five years.

- The end to end process from business case to completion of contract notice was just twelve months.
- The outcome achieved full cost certainty for the Council and protected the ability for local people to access affordable pay and play golf. In addition, the new operators intend to make very substantial investments in both courses and other facilities for golfers.
- Existing arrangements with local stakeholders have been protected, including concessions for usage by John Moores University students and faculty.

The total cost of V4 Services' support was recovered in less than six weeks. We worked to a tight schedule as set out by the Council.



Liverpool City Council
www.liverpool.gov.uk



V4 Services have worked in partnership with over 95 public sector bodies and trusts providing hands-on delivery support to set up new business structures, improve the efficiency of in-house services, encourage a commercial approach and generate savings and service improvements through our managed service procurement solution.

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