

Report of Service Improvement Officer

Report to Chief Officer, Culture and Sport

Date: 27th January 2016

Subject: Renewal of contract A28G-VM7XAI. Servicing of existing cardio vascular and strength equipment

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" 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? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The contract for the servicing of existing cardio vascular and strength equipment is due for renewal in April 2016.
2. Under the current agreement with Amazon Leisure there is the the option to extend the contract for a further 2 year period.

Recommendations

3. The Chief Officer Culture and Sport is asked to agree the extension of this contract with Amazon Leisure for the additional 2 years permissible.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to extend the contract for the servicing of existing cardio vascular and strength equipment for the additional 2 years permissible.
- 1.2 The current estimated spend is £170,000 per annum. This equates to £340,000 over the duration of the contract.

2 Background information

- 2.1 The current contract with Amazon Leisure has the option to extend for a further 2 years. This will maintain the current prices and save officer time on a new quotation exercise.
- 2.2 The service is happy with the current supplier and is pleased for the extension to be agreed.
- 2.3 This contract runs parallel to contract YORE-9A5PQA for 'The supply and service of cardio vascular strength equipment', where the supplier 'TechnoGym' are only able to service their own make of equipment. Amazon Leisure has been servicing our existing equipment since the commencement of this contract in April 2014 on a none contract basis. Because of LCC Contract Procedure Rules a contract was required.
- 2.4 As contract YORE-9A5PQA was due to expire in April 2016 we were only able to award the contract to Amazon Leisure for the same period of time. However there was an option to extend the Technogym contract for a further 2 years which we were happy to do. Therefore we awarded Amazon the same terms and length of contract also with the option to extend for a further 2 years.
- 2.5 Technogym are our current supplier of strength and cardio equipment. Prior to April 2014 Life Fitness supplied this equipment. It is for the servicing of the Life Fitness equipment that we need the servicing of Amazon Leisure as Technogym engineers are not trained to service other companies equipment and do not have access to parts. Amazon Leisure engineers have good links with Life Fitness and are experienced in servicing their equipment.

3 Main issues

- 3.1 There have been no issues reported with this supplier and the work has been performed to a satisfactory standard that colleagues are happy with.
- 3.2 The contract has been operating since 9th November 2015 and involves the servicing of existing cardio vascular and strength equipment.
- 3.3 The servicing of existing cardio vascular and strength equipment is vital to the functioning of the gyms in our leisure centres. Therefore failing to renew the contract is not an option.
- 3.4 There are two options open to ensure the service is continued:

- A full retendering process.
- Extend the current contract by 2 years, as allowed within the current contract documentation.

3.5 Both options have been considered and:

- there have been no significant issues with the current supplier
- the current contract has operated within the allocated budget

3.6 The service still sees the option to extend the current contract as value for money and would like therefore to take the opportunity to extend the contract by 2 years.

3.7 Following the 2 year extension a full tender process will be undertaken for a new contract.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Corporate Procurement has recommended an extension may be applied to this contract.

4.1.2 The requirement for a 2 year extension of the contract has been agreed by the Sport Management Team.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no equality issues to act upon.

4.3 Council policies and Best Council Plan

4.3.1 The contract enables the existing cardiovascular and strength equipment to be operated in a safe manner and therefore available for public use. The contract supports the following policies through assisting in sport participation:

4.3.2 Sport and Active Lifestyles Service Plan 2011-2013 – increased participation in sport and active recreation contributing to healthier communities.

4.3.3 Leeds 2030 Vision for Leeds 2011 to 2030 priorities – Best City for health and wellbeing – people are supported by high quality services to live full, active and independent lives.

4.3.4 Best city to live – people enjoy world class culture, sport, leisure and entertainment.

4.3.5 Leeds Sport & Active Lifestyles Strategy 2013 – 2018 – Leeds will have more people participating in sport & active recreation.

4.4 Resources and value for money

- 4.4.1 The extension of this contract for the next 2 years delays the need for a lengthy tender process. This will save on staff time and costs.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The extension of contracts is covered in the Contracts Procedure Rules section 21 and as such, authorisation is required from the Chief Officer Culture and Sport.

4.5.2 Risk Management

- 4.5.1 There are no foreseeable risks with the extension of this contract.

5 Conclusions

- 5.1 The current contract has been delivered well by the current supplier and an option to extend the current contract with Amazon Leisure for a further 2 years is available. Extending the contract would maintain the current prices and prevent a costly tender process.

6 Recommendations

- 6.1 The Chief Officer, Culture and Sport is asked to agree the extension of this contract with Amazon Leisure for the additional 2 years permissible.

7 Background documents¹

- 7.1 There are no background documents.

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