



**Report of Business Development Manager Active Leeds**

**Report to Head of Active Leeds**

**Date: 07/08/ 2019**

**Subject: Promoting the Brand “Active Leeds” Waiver**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open 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**

**1. Main issues**

- Active Leeds was rebranded 1<sup>st</sup> May 2018. The service is looking to build on the current usage of the brand externally on buildings and has developed a fresher internal style to reflect the changes made. Refurbishment works at Garforth, Kippax, Middleton, Rothwell and John Charles Centre for Sport, as well as opportunities to brand PFI sites, Armley and Morley, (as part of the contracted decoration programme), allows for further development and implementation of the refreshed brand making centres more attractive to users, which in turn, increases income.
- Plans are in place to develop a procurement process which will identify a contractor to supply the internal and external branding to all leisure and wellbeing centres that are due any rebranding works over the next 3-4 years. However in order to get the best deal possible a full tender process is required which can take from 6 – 8 months to procure.
- Due to the deadlines of the above mentioned projects, a waiver is required in order to continue the delivery of this service whilst a fully advertised procurement process is ongoing in the background to find a longer term solution from the market.

**2. Best Council Plan Implications**

- The branding of leisure centres contributes to the Best Council Plan as it will support healthy, physically active lifestyles by ensuring the facilities are well

recognised to the public with consistent branding across Active Leeds and creating greater access to quality leisure and wellbeing centres.

### 3. Resource Implications

- Budget has been sourced through the “Customer Facing Improvements” programme, with an additional £100k secured for 19/20
- Active Leeds is about to appoint to a Branding and Campaigns Officer post and this officer will be responsible for managing the planned branding programme.

### Recommendations

- a) The Head of Active Leeds is recommended to approve the waiver of Contracts procedure rules no 8.1 and 8.2 – intermediate value procurements and award a contract to ShowOff Media in the sum of **£100,000**. The contract shall commence on the **1<sup>st</sup> July 2019** and expire on the **31<sup>st</sup> March 2020**.

#### 1. Purpose of this report

- 1.1 The Head of Active Leeds is recommended to waiver Contract Procedure Rules no 8.1 and 8.2 – intermediate value procurements, and agree to the awarding of a contract to ‘ShowOff Media’ for the branding of an additional 7 active Leeds facilities, whilst a subsequent tender process is developed to provide a longer term solution to this issue.

#### 2 Background information

- 2.1 Active Leeds sits within the Culture and Sport function of the council’s City Development Directorate. The vision of the service is to make Leeds the best city in the UK to be active in. Whereas the mission of the service is to passionately deliver positive experiences through a friendly & supportive team to enable active and thriving communities.
- 2.2 The service portfolio includes 16 leisure and wellbeing centres across the city including the flagship John Charles Centre for Sport. The last 10 years has witnessed a significant shift in the health and fitness industry. The increase in the number of private health and fitness clubs has impacted on LCC business, and the arrival of budget clubs has further affected generated income.
- 2.3 In order to compete in an increasingly competitive health and fitness market, a ‘Sport and Active Lifestyles’ brand was developed and introduced in 2009. The brand was rolled out across the service: promotional literature, colour schemes, uniforms, web, marketing campaigns, marketing collateral etc. However this became dated and diluted in recent times. Active Leeds do not want branding to restrict the business and see it as vital that the brand should be developed in order to aid growth.
- 2.4 In May 2018 the service repositioned itself as Active Leeds, with a fresh vision, mission statement and supporting values. It introduced a revised application of the brand to support the refurbishment of Holt Park Active, and introduced further revisions to support Scott Hall, John Smeaton and Wetherby during. The service is

continuing to adopt this amended style and plan to build on it and extend across the service.

- 2.5 As part of this work ShowOff Media have developed the brand concept and provided their expertise and knowledge in applying the brand to Active Leeds gyms through their contract with Technogym and Life Fitness. Over the last 18 months the new brand has been successfully applied to Holt Park, John Smeaton, Scott Hall and Wetherby.
- 2.6 Active Leeds now wish to further extend the refreshed branding to other centres; Armley, Garforth, Kippax, Middleton, Morley, Rothwell and John Charles Centre for Sport and look to complete the work already started at Scott Hall and Wetherby.
- 2.7 To build on the branding work already completed i.e. to further extend the brand to other sites and to meet business critical project timescales; we would like to extend our agreement with ShowOff Media, in lieu of the service conducting a tendering exercise to formally appoint a contractor to further evolve the brand and apply the concept across the business.
- 2.8 In May 2018, a waiver report was submitted to support rebranding, totalling £83,000, including the rebranding of the refurbished Aireborough leisure centre. However, due to delays with the Aireborough project, £50,000 of this planned expenditure, allocated to Aireborough, has not been spent, and has been carried forward into 19/20.
- 2.9 For 19/20, an additional £100k in funding is available for branding, allocated from a customer facing improvements budget.
- 2.10 From previous branding work, we know there is a correlation between well-presented sites and higher levels of customer satisfaction. And where there has been increased customer satisfaction, there has been an increase in income.

### **3 Main issues**

#### **Reason for contracts procedure rules waiver**

- a Refurbishment work is planned to commence at Garforth, Kippax, Middleton and Rothwell in the coming months. In addition, the planned decoration programme at PFI sites (Armley and Morley) also provides an opportunity to brand these sites in December. There is also a need to complete branding work at Scott Hall. Due to the timescales given it is not possible to complete a full procurement exercise for these works.
- b A full procurement process is in the process of being developed. This waiver will only act as a way to ensure the continuation of service delivery whilst this tender process is being developed.
- c The estimated costs for design, production and installation for the aforementioned projects are as follows:

Scott Hall	Complete final phase of re- branding	£ 2,000
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Rothwell	Branding to reception	£15,000
Middleton	Site and gym re-brand	£20,000
John Charles	Site rebrand	£20,000
Garforth	Site and gym rebrand	£13,000
Kippax	Site rebrand	£10,000
Morley	Site and gym rebrand	£10,000
Armley	Site and gym rebrand	£10,000
<b>Total</b>		<b>£100,000</b>

### **Consequences if the proposed action is not approved**

- d If the proposals in this document are not adhered to then there is the likelihood that these leisure and wellbeing centres will either have no branding, or be forced to go with the outdated branding currently in place. This would be a missed opportunity and also an additional cost, as this branding would need to be removed moving forward.

### **Advertising**

- e This piece of work has not been advertised. However a full procurement process is being planned that will be advertised on the Yortender website. This procurement will look to find a provider for the branding of LCC leisure and wellbeing centres.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 The Active Leeds Business Development Manager knows this market well, and has researched the options available. This has included discussions with partners in the sport and fitness industry.
- 4.1.2 Other members of the Active Leeds service are aware of the planned works, and are supportive of the action recommended in this report.
- 4.1.3 The Exec Member with portfolio for Active Leeds has also been consulted on the contents of this document.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 There are no issues relating to equality and diversity in the recommended course of action.

### **4.3 Council policies and the Best Council Plan**

- 4.3.1 The following policies are related to the recommendations of this document:
- Best Council Plan
  - Vision for Leeds

4.3.2 We will work closely with the supplier to ensure that sustainable materials and energy efficient power is used wherever possible.

#### **4.4 Resources, procurement and value for money**

4.4.1 The estimated costs highlighted in this report are deemed by Active Leeds staff members specialising in this area of the industry to be competitive and fair.

4.4.2 Previous work carried out by ShowOff Media has been of a high standard, and close working relationships have been developed between LCC and themselves. Therefore it would be expected that the quality of the work completed in the above mentioned projects would also be high.

#### **4.5 Legal implications, access to information, and call-in**

4.5.1 The contents of this report are not subject to call in.

#### **4.6 Risk management**

4.6.1 If the proposals in this document are not agreed by the Head of Active Leeds then there is the risk that the costs of each project may rise from the estimates given. This risk can be minimised by the Active Leeds Business Development Manager working closely with ShowOff Media in order to ensure that these costs are kept as low as possible.

4.6.2 If the proposals in this document are not adhered to then there is the likelihood that these leisure and wellbeing centres will have either no branding, or the service will be forced to go with the outdated branding currently in situ. This would be a missed opportunity and also an additional cost as there would still be a cost associated with installing the previous designs, and this branding would need to be removed moving forward which would also be at a cost.

4.6.3 If the proposals in this document are not agreed, there is the potential that the funding may be lost, restricting the rollout of the refreshed Active Leeds brand, with the potential to impact on the performance of the service and loss of potential earned income.

### **5 Conclusions**

5.1 The conclusion of this report is that the waiver of Contracts procedure rules no 8.1 and 8.2 – intermediate value procurements, in order to award a contract to ShowOff media to the value of £100,000 from between 1<sup>st</sup> July 2019 and 31<sup>st</sup> March 2020, would be the best course of action for the service.

### **6 Recommendations**

6.1 The Head of Active Leeds is recommended to approve the waiver of Contracts procedure rules no 8.1 and 8.2 – intermediate value procurements and award a contract to ShowOff Media in the sum of **£100,000** The contract shall commence on the **1<sup>st</sup> July 2019** and expire on the **31<sup>st</sup> March 2020**.

## **7 Background documents<sup>1</sup>**

7.1 There are no background documents

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<sup>1</sup> 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.