

Report of: Business Manager, City Development

Report to: Chief Officer Culture & Sport

Date: 25th June 2020

Subject: Request for approval to carry out a competitive tender exercise in accordance with the Council's Contract Procedure Rule (CPR) 9 for the procurement of a Leisure Management System (LMS).

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 checked="" type="checkbox"/> Yes	<input 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 Council awarded a contract (DN202145 - LCCITS090014) to XN Leisure Systems Ltd for the provision of a Leisure Management System, including support & maintenance, for the period 1st September 2010 to 31st August 2015.
2. The contract included options to extend by a further 5x 12 month periods. All options to extend have been taken, meaning the contract will expire on 31st August 2020.
3. Chief Officer Culture & Sport has approved a 12 month variation to the contract end date (to 31st August 2021), to allow sufficient time for a competitive tender exercise to take place.
4. The Leisure Management System provided by XN Leisure Systems Ltd is a key line of business system operating in 18 sites, and is used by the Council's Active Leeds Service to manage the provision of leisure activities for citizens across the city, providing a range of functionality from point of sale through to back office functions such as reporting.
5. The Council requires on-going use of an LMS solution to enable the Active Leeds Service to fulfil its key business operations.
6. To achieve compliance with Procurement Regulations, the General Data Protection Regulation and the Payments Card Industry – Data Security Standard this project needs to proceed to tender.

7. The initial assessment of suppliers in the leisure market indicates there are potential opportunities for the service that need more in-depth analysis through the tender process to ensure best value is being achieved.

Best Council Plan implications

8. The procurement of a Leisure Management System will support and contribute to the delivery of the following Council policies and priorities:
 - Enable the Active Leeds Service to continue to support the Best Council Plan's objective of Health and Wellbeing and the aim of 'supporting healthy, physically active lifestyles';
 - The Best Council Plan has an ambition for 'Leeds to be the best city for health and wellbeing'. The work of the Active Leeds Service is essential to this and requires continued use of a Leisure Management System to support this ambition.
 - Supporting healthy, physically active lifestyles, a Key Best City Priority in the Best Council Plan;
 - Spending Money Wisely.

Resource implications

9. The procurement exercise will be managed by the Council's ICT Strategic Sourcing team, and supported throughout the process by key stakeholders within Active Leeds and technical staff within the Council's Digital and Information Service.

Recommendations

10. The Chief Officer Culture & Sport is recommended to approve the commencement of a competitive tender exercise in accordance with the Council's Contract Procedure Rule (CPR) 9 for the procurement of a new Leisure Management Solution (LMS) solution.

1 Purpose of this report

- 1.1 The purpose of this report is to set out the reasons for carrying out a competitive tender exercise to procure a new LMS solution.

2 Background information

- 2.1 The Council's current contract "DN202145 - LCCITS090014 Leisure Management Software System" with XN Leisure Systems Ltd expires on the 31st August 2020 and there are no options to extend. A contract variation has been approved to vary the end date to 31st August 2021, to allow sufficient time for a competitive tender exercise to take place.
- 2.2 The Leisure Management System holds approx. 500,000 digital customer records and has approx. 350 users across the 17 sites. The system also integrates with a number of other software applications used by the Council, including direct debit payment collections, electronic payment solutions, door access control, reporting and intelligence tools and mobile fitness applications.
- 2.3 The key stakeholder of the LMS is the Council's Active Leeds Service but data in the LMS is also used to support other Council services such as Finance, Breeze Card, Health and Safety and Libraries.

3 Main issues

- 3.1 The Council requires on-going use of an LMS solution to enable the Active Leeds Service to carry out its key business operations.

- 3.2 The current Leisure Management System is 10 years old and does not now fully meet the Council's aspirations and visions for providing high quality leisure services to citizens across the city.
- 3.3 In addition to the age of the current system, a number of functional and technical issues have now been identified which necessitate the need to procure a new Leisure Management System that will meet the Council's current and future requirements **including:**
- The Council's current leisure management system and wider platform isn't General Data Protection Regulation (GDPR) compliant or Payment Card Industry – Data Security Standard fully compliant.
 - As a result of carrying out pre-market engagement exercise, it is clear that technology has significantly changed over the last 10 years which presents the Council with the opportunity to procure a solution that will meet both its current and future needs in relation to providing Leisure Services to the citizens of Leeds.

4 Consequences if the proposed action is not approved

- 4.1 If a procurement exercise for a new LMS solution is not carried out, the Active Leeds Service will be constrained in its ability to meet its digital aspirations and visions and will continue to experience functional and technical issues.

5 Advertising

- 5.1 This tender opportunity will be advertised through the YORtender procurement portal.

6 Corporate Considerations

6.1 Consultation and Engagement

- 6.1.1 Key stakeholders from Active Leeds, ICT Strategic Sourcing team and other members from the Council's Digital and Information Service have been consulted and have agreed that carrying out a competitive tender exercise to procure a new LMS solution is the best and most appropriate course to take.
- 6.1.2 The Executive Member, responsible for Active Leeds has been consulted with on the 5th May. The Chief Officer for Finance has also been consulted and is supportive of the scheme ensuring the Core Financial Systems are integrated with the system which it will be.

6.2 Equality and Diversity / Cohesion and Integration

- 6.2.1 There are no specific issues relating to equality and diversity or cohesion and integration identified in relation to carrying out a competitive tender exercise for the procurement of a new LMS solution.

6.3 Council Policies and City Priorities

- 6.3.1 Carrying out a competitive tender exercise to procure a new LMS solution will support and contribute to the delivery of the following Council policies and priorities:
- Health and Wellbeing
 - Spending Money Wisely

Climate Emergency

- 6.3.2 This report relates to the procurement of a software solution, its impact on climate change initiatives is mainly through the support it gives to those services using it. The solution directly contributes by facilitating digital working, for example:

- Customers can book fitness classes online, reducing the need for paper forms;
- Direct debits can be set up online, reducing the need for paper mandates and for customers to travel to a Leisure Centre to set these up face to face;
- Customers can access timetable information online, reducing the need for paper timetables to be printed and/or posted to members.

6.4 Resources and Value for Money

- 6.4.1 The Council's ICT Strategic Sourcing team will manage and carry out the procurement exercise on behalf of the Project Team.
- 6.4.2 Carrying out a competitive tender exercise to procure a new LMS solution will ensure that the Council procures a solution that meets its needs and will provide on-going value for money. This proposed course of action therefore represents best use of Council funds.

6.5 Legal Implications, Access to Information and Call In

- 6.5.1 The decision to undertake a competitive procurement exercise at the anticipated value is a Key Decision and is subject to call in.

6.6 Risk Management

- 6.6.1 There are no identifiable risks in relation to carrying out a competitive tender exercise to procure a new LMS solution.

7 Conclusions

- 7.1 Carrying out a competitive tender exercise to procure a new LMS solution is the most appropriate course of action.

8 Recommendations

- 8.1 The Chief Officer Culture & Sport is recommended to approve the commencement of a competitive tender exercise in accordance with the Council's Contract Procedure Rule (CPR) 9 for the procurement of a new Leisure Management Solution (LMS) solution.

9 Background documents¹

- 9.1 None.

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.