

REPORT TO: CITY GOVERNANCE COMMITTEE – 9 JUNE 2025

REPORT ON: TENDER FOR LEISURE MANAGEMENT SYSTEM

REPORT BY: DIRECTOR OF LEISURE AND CULTURE

REPORT NO: 177 - 2025

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide a summary of a sourcing strategy for a Leisure Management System and to seek approval to undertake a compliant procurement process leading to the direct award of a Leisure Management System contract.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
- a. approves the Sourcing Strategy as outlined in Section 5 of this report.
 - b. agree to the direct award via GCloud 14 Framework for provision of a leisure management system to Gladstone MRM Ltd.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The total projected renewal cost is £399,932 over a 4-year contract. Approximately £50,000 per year will be funded by the Leisure and Culture Dundee and £50,000 per year will be covered by the Corporate Services : Digital & Customer Services Revenue Budget

4.0 BACKGROUND

- 4.1 Leisure and Culture Dundee and Dundee City Council are required to award a contract for the provision of a Leisure Management System (LMS) which fits the needs of services and customers using the system. The system provided will include full technical support, allow further developments within the current system and ensure a compliant and secure booking and joining system for customers and staff alike. This contract will be for a period of 3 years with the option to extend for one year, with a cost of £399,932 for the 4-year contract. An additional one-off implementation cost of £11,445 is required in year 1. The full cost of this contract, including implementation cost, is covered within L&CD and DCC budgets.
- 4.2 Partially operating in a commercial environment, L&CD requires the LMS software to provide customers with a market leading joining and booking system to minimise barriers to purchase and book products that L&CD offer. The Client Retention Management module of the software will allow for back-office staff to utilise data and communicate with customers effectively and efficiently through automated processes within the system. Since the installation of the current contract in 2018, there has been significant investment in staff training, processes and data management, along with several developments and issues within the current system. There has been significant time and money spent by DCC and L&CD on bringing the current system to a point where it is delivering a good service with very few issues.
- 4.3 Award of this contract would allow business process continuity for an easy joining and booking process to allow members of the public access to sport, physical activity and wellbeing activities that will enhance their lives, improve health outcomes and improve employment levels through the benefits of physical activity. A joining system that provides a sleek transaction between operator and customer means that the risk of losing business is low, resulting in increased revenue. Data collection through this system is essential in managing performance and reporting on Local Government Benchmarking Framework data, with system links to external third parties, Active Dundee can generate reports that evidence the social benefit of activities that Active Dundee undertake to stakeholders.

5.0 SOURCING STRATEGY SUMMARY

- 5.1 Based on the experience working with the current supplier, time and money invested in the current product and various challenges in moving to a different LMS provider, it is proposed that L&CD direct award to Gladstone MRM Ltd through the CCS GCloud 14 Framework. Please refer to the Risk Analysis detailed below. The digitalising of a booking and joining process, as well as improved digital communication reduces the carbon footprint of L&CD, DCC and its users. The use of the improved Gladstone 360 Point of Sale allows flexible means to collect data in sites where resources are limited, meaning less missed attendances in facilities, leading to improved business decisions through the utilisation and interrogation of the Gladstone Reporting module.
- 5.2 The awarding of this contract would enhance L&CDs ability to generate increased revenue resulting in economic benefit to the local economy. This would be achieved through providing a sleek digital offer that will reduce barriers to purchasing L&CD products, whilst delivering a suitable and sufficient booking and payment system for DCC resulting in reduced customer debt on the system. The social benefit of an effective booking system allows for easier access to activities to improve health and wellbeing outcomes. All attendances at activities provides social value to communities and partners. This is monitored by Datahub which connects to Gladstone data and calculates social value of Active Dundee services.

6.0 RISK ANALYSIS

- 6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge

Description of Risk	Actions to be taken to manage Risk
Commercial Risk – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Benchmarking of rates has been carried out. DCC and L&CD have obtained transparency of costs detail, including future developments and what will be free upgrades or chargeable work. Direct award is allowed as part of the Framework rules.
Technical Risk – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	Benchmarking with other Leisure Trusts has been carried out which highlights that the system is providing the required level of service. The direct award is to be made from an established and compliant supply Framework. Bidders were required to demonstrate technical competence as part of the establishment of the Framework.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	A contract management process will be implemented.
Contractual Risk – Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	DCC and L&CD are contractually protected via the Framework contract terms and conditions. The contractor shall be proactively managed during the term of contract. There will be a clearly defined Specification of Requirements.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules	The direct award from the established Framework (CCS GCloud 14) is a compliant route to market, in accordance with the Public Contracts (Scotland) Regulations of 2015.

7.0 POLICY IMPLICATIONS

- 7.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

8.0 CONSULTATIONS

- 8.1 The Council Leadership Team were consulted in the preparation of this report.
- 8.2 Dundee City Council IT department were consulted in the preparation of this report to ensure compliance with necessary certification and security measures.

9.0 BACKGROUND PAPERS

- 9.1 None

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DATE: 20 May 2025