

## **SECTION B SPECIFICATION**

Mid Devon District Council is committed to providing a market leading leisure experience; exciting times with a £0.9M extension to Exe Valley Leisure Centre currently underway. To reflect our aspiration for the future we want more than an equipment supplier; we want a strategic leisure partner. A partner that can help us stay at the forefront of a fast moving industry. We want this to be a true partnership that maximises the opportunity at our existing three leisure centres and creates capacity to seek new opportunities. This notice articulates the core offer; yet it is clear we expect our partner to work with us on new opportunities within the framework of our strategic partnership.

In setting the scene for this notice it is important to draw out the importance we have placed on using Exe Valley Leisure Centre as a sub-regional leisure destination; in a competitive industry we are looking to secure existing market share and grow our customer base against challenging growth targets. We will need our strategic partner to work with us to ensure the 'offer' at Exe Valley Leisure Centre achieves all that we hope it will. We have therefore created a blank page; the strategic partner will advise on and design the new build fit out, including working with our construction contractor. That design work extends to maximising the benefit of a corporate brand across all fitness activity. A genuine opportunity to create something new.

The Council is seeking to enter into a strategic leisure partnership for the provision of equipment across its three existing leisure sites and any potential new provision which may be planned.

### **Background information**

The sites are as follows:

Exe Valley Leisure Centre, Bolham Road, Tiverton, Devon EX16 6SG

<http://middevonleisure.com/about/our-centres/#exevalley>

Lords Meadow Leisure Centre, Commercial Road, Crediton, Devon EX17 1ER

<http://middevonleisure.com/about/our-centres/#lordsmeadow>

Culm Valley Sports Centre, Meadow Lane, Cullompton, Devon EX15 1LL

<http://middevonleisure.com/about/our-centres/#culmvalley>

The following activities are run at all three sites:

- Teen gym
- GP referral
- Cardiac rehabilitation

Each of our sites is subtly different and whilst we want a consistent corporate brand we understand the feel at each site may differ to reflect the core market. For Exe Valley we have an insight into latent demand and we are looking to use the extension as a spring board to attract in the region of 250 new annual subscriptions.

Our leisure offering at Cullompton is a traditional mixed economy shared site with a local comprehensive school. The area has been identified for housing growth and that brings with it its own challenges. When this is coupled with our successful application for Garden Village status it is clear we need to take a strategic view on leisure provision for Cullompton. We have included a like for like refresh in this notice yet there is an explicit requirement for the Strategic Partner to work with Mid Devon District Council as it looks to the future. We would welcome submissions which outline the level of support that could be offered and the charging mechanism for that support.

Our current membership base is shown within Appendix B

### **Contract requirements**

**Please note that minimum requirements which have been highlighted in bold are not subject to negotiation when we get to that stage of the procurement process.**

**At Exe Valley Leisure centre, we are mid-way through an extension to the gym. The gym will be opened formally opened on 1<sup>st</sup> January 2018 so we need a strategic partner to help us design the final feel of the new gym, deliver new equipment and allow us a soft launch by the second week of December 2017.**

The equipment at Lords Meadow LC is due for replacement in 2018 with Culm Valley due in 2019. Our immediate focus is on Exe Valley Leisure Centre.

**The supplier will advise on the flow of gym layout to include wall and flooring finishes, artwork and imagery to produce a new look throughout the gym and fitness studios which could then be rolled out across all sites during the initial term of the contract to give Mid Devon a consistent brand offering. This will be based on the suppliers knowledge of the market and enable us to compete with other commercial Leisure providers.**

**There is scope within the arrangement with the existing building contractors delivering the extension to include these suggestions within the finish of the build.**

In terms of added value examples the suppliers may be able to offer would include

- Marketing support
- Promotion of new facility
- Use of Champions at launch
- Methods of growing and retaining membership
- Interactive Apps
- Organising customer competitions
- Trials of new to market concepts and equipment

In terms of quality of equipment, the Council recognises that it is the consoles which vary most on cardiovascular equipment and this impacts cost. Therefore we will be looking to our partner to propose an equipment mix to enable a balance between quality and price. We need to ensure that the customer base is maintained and increased as required. We also understand that not all our customers need the full functionality of a multimedia display with internet and AV connectivity.

The base units of the CV equipment should be of sufficient quality to achieve a 5 year life cycle in a busy sub-region leisure destination. We do not wish to compromise on quality and reliability; our customers are used to a standard and we must not allow them to perceive a drop in quality of equipment.

Virtual fitness classes are an emerging offer; the Council are open to introducing this new model of class delivery and we wish our Strategic Partner to bring forward an option with their market insight on how such a concept should help us grow market share and income.

### **Warranty**

Cardiovascular kit 5 years parts and labour warranty.

Resistance 2 years parts and labour.

### **Sequencing**

The Council has a mix of existing equipment it owns outright or leases; the existing lease arrangements vary across the sites. Our intent is to maximise the 'Wow' factor to our new gym and fitness studios at Exe Valley Leisure Centre. Clearly there are benefits for exclusivity and that will need to balance with the investment by the Council to date. During the initial period of 5 years we expect to replace all our cardiovascular equipment and we are open to options on resistance equipment. Across a 5 + 5 year term we expect to see all cardiovascular and resistance equipment replaced at least once; for Exe Valley potentially a second cardiovascular refresh (to reflect the expected 5 year lifecycle). The council has created two indicative options, as below, however the intent is to establish a strategic partnership and as such we would want to hear our partners' opinion before making a final decision.

### **Service levels**

Call out for maintenance and repairs should be a maximum of 48 hours.

The Council will look to incorporate a performance bond linked with the provision, servicing and maintenance of our equipment. It is not our intent to act punitively; it is simply a measure to ensure we receive the level of service committed to by the equipment supplier / warranty provider. An element of the annual service charge should act as a performance bond. The form of the performance bond will be agreed during negotiation; a sum equivalent to a percentage of the annual charge. Where equipment is provided it will be subject to a reliability test; a cumulative total of more than (x) calendar days for a piece of equipment to be unavailability would be seen as unacceptable within a rolling 12 month period.

### **Funding**

The Council is open to all funding mechanisms; including lease options, outright purchase, and the option to utilise prudential borrowing. Please refer to section D Pricing.

## **Appendices**

Appendix A – Current equipment at each site

Appendix B - Current membership and how it is made up (this will be available following completion of a disclosure agreement)

- Total each site
- Breakdown by age
- Postcode

Appendix C - CAD drawings of all three sites

INFORMATION ONLY, PLEASE REGISTER YOUR INTEREST TO ACCESS FINAL DOCUMENTS