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|  <p>Brent</p> | Officer Key Decision |
| | Report from the Corporate Director of Service Reform and Strategy |
| | Lead Member - Cabinet Member for Adult Social Care, Public Health and Leisure (Councillor Neil Nerva) |

AUTHORITY TO AWARD CONTRACT FOR LEISURE SERVICES FOR VALE FARM SPORTS CENTRE.

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| Wards Affected: | All Wards |
| Key or Non-Key Decision: | Key Decision |
| Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act) | Part Exempt Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)" |
| No. of Appendices: | Two: Appendix 1 – Names of Contractors (exempt) Appendix 2 – Evaluation Grid |
| Background Papers: | None |
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1.0 Executive Summary

- 1.1 This report concerns the procurement of a partner to operate Vale Farm Sports Centre under a five-year agency agreement, commencing on 1 March 2026. This report requests authority to award the contract as required by Contract Standing Order 88. It summarises the process undertaken in procuring the contract and, following the completion of the evaluation of bids, recommends to whom the contract should be awarded.
- 1.2 On 8 September 2025, Cabinet approved the withdrawal from the Tri-Borough leisure procurement with Ealing and Harrow and authorised the Council to proceed with a standalone procurement for Vale Farm Sports Centre based on

an agency agreement model, through to 31 October 2031. The procurement has now concluded in line with that authority.

- 1.3 The standalone procurement has confirmed the benefits anticipated at the Authority to Tender stage. The agency agreement model secures continuity of service for residents while strengthening Council control over pricing, programming, income and investment decisions. Through competition and structured negotiation, the process has delivered improved financial and quality outcomes. The outcomes achieved through this procurement would not have been possible under the Tri-Borough model.
- 1.4 The procurement was conducted using the Competitive Flexible Procedure under the Procurement Act 2023 and included an initial tender stage, a negotiation stage, and the submission of final tenders. Officers used the negotiation stage to test initial submissions, test affordability and delivery confidence, and secure improved offers from shortlisted bidders. This included enhanced minimum guaranteed returns, strengthened open-book arrangements, and clearer commitments to partnership working and delivery under the agency agreement model.
- 1.5 The recommended award identifies the most advantageous Bidder, to act as the Council's agent for the operation of Vale Farm Sports Centre. From the tenders received, it provides the strongest overall balance of quality, financial return and strategic alignment, supports the Council's Active Wellbeing ambitions, and establishes a stable and flexible operating arrangement through to 31 October 2031.
- 1.6 The contract which provides for an agency arrangement sets out a deliberate and time-limited operating solution that ensures continuity of service delivery at Vale Farm Sports Centre while preserving flexibility for future borough-wide arrangements beyond 2031. Therefore, this report recommends the award of the agency agreement to the preferred bidder, in accordance with the evaluation outcome and the authority previously delegated by Cabinet.

2.0 Recommendation(s)

That the Corporate Director of Service Reform and Strategy, in consultation with the Cabinet Member for Adult Social Care, Public Health and Leisure:

- 2.1 Approves the award of a five-year contract for the operation of Vale Farm Sports Centre, commencing 1 March 2026 and running through to 31 October 2031, to Sports and Leisure Management Ltd (trading as Everyone Active).

3.0 Detail

Contribution to Borough Plan Priorities & Strategic Context

3.1 The award of the contract for the operation of Vale Farm Sports Centre directly supports the Council's Borough Plan priorities by securing the continued delivery of high-quality, inclusive active wellbeing (leisure) provision, while strengthening local control and financial sustainability.

Specifically, the award directly supports the Borough Plan 2023-27 priorities:

- A Healthier Brent – ensuring continued access to high-quality leisure and physical activity provision that improves health outcomes, supports prevention, and addresses inequalities.
- Thriving Communities – shaping a more coherent, inclusive and community-responsive Active Wellbeing offer, with services designed to meet local needs and build community capacity.
- A Cleaner, Greener Future – embedding sustainability, decarbonisation and active travel within leisure provision.
- Prosperity and Stability – securing a financially sustainable model that maximises income retention, operational efficiency, and reinvestment in prevention.

The approach also aligns with Brent's Health and Wellbeing Strategy 2022-27, Climate and Ecological Emergency Strategy 2021-2030, and with the wider national shift from traditional leisure to an Active Wellbeing model centred on prevention, health equity and sustainability.

Background

3.2 The Council required the provision of services for the operation of Vale Farm Sports Centre under a five-year agency agreement, commencing on 1 March 2026 and running through to October 2031. Council officers have identified the operator providing the most advantageous tender of the tenders submitted. Officers therefore recommend the award of a contract for the operation of Vale Farm Sports Centre (the "Contract") to Sports and Leisure Management Ltd (trading as Everyone Active).

3.3 Cabinet approved withdrawal from the Tri-Borough leisure procurement on 8 September 2025 and authorised a standalone procurement for Vale Farm Sports Centre. This report brings that decision to conclusion.

3.4 The standalone procurement was undertaken on the basis that the operating arrangement would be delivered through a five-year agency agreement, aligned to the Council's approved operating horizon through to 31 October 2031. The scope of the agency agreement includes:

- the operation of Vale Farm Sports Centre, including aquatics, health and fitness, sports hall provision, outdoor pitches and associated ancillary services;
- the delivery of Active Wellbeing activity linked to the site; and
- partnership working to embed prevention, inclusion and health equity within day-to-day service delivery.

3.5 Under the agency agreement model set out in the Contract, the appointed operator will act as the Council's agent, with responsibility for operating the facility and delivering services on the Council's behalf. Income will be collected by the operator as agent, while the Council retains control over pricing, income and strategic direction. Staffing and day-to-day service delivery will continue to be provided by the operator in line with the agreed specification. The contract sets out the commercial position if HMRC's treatment of the agency arrangements in leisure projects changes or the agency arrangement fails for other reasons. This should ensure that operations continue without interruption.

3.6 This procurement was not undertaken solely as a continuity arrangement. It represents the first stage in the Council's transition from a traditional leisure operating model towards an Active Wellbeing approach. In appointing an operator under the Contract, the Council has sought a partner capable of maintaining high-quality operational performance at Vale Farm Sports Centre while also contributing insight and learning to inform future arrangements beyond 2031.

The Procurement Process

3.7 The procurement was conducted using the Competitive Flexible Procedure under the Procurement Act 2023 (the "PA23"). The process comprised an initial tender stage, a structured negotiation phase with shortlisted bidders to test deliverability and secure improved offers, and the submission and evaluation of final tenders, in accordance with the published procurement documents and evaluation methodology.

3.8 A Preliminary Market Engagement Notice (PMEN) was published on 17 September 2025 to seek early market interest and inform the market of the Council's approach to the formal procurement. Following this engagement, advertisements were placed on the central digital platform and the Tender Notice and PSQ/Initial Tenders were issued on 10 October 2025 to commence the formal procurement process. Contractors were provided with a Services Specification and details of the tender approach and were invited to participate in the procurement process using the Council's electronic tendering facility. The formal procurement process attracted four expressions of interest, of which three bidders submitted Initial Tenders.

3.9 Shortlisting was carried out on the basis of bidders' financial standing, technical and professional ability, and relevant experience, through evaluation of the Procurement Specific Questionnaire (PSQ) and Initial Tenders. Following

evaluation, shortlisted bidders were invited on 24 November 2025 to participate in a structured negotiation phase and to submit Final Tenders, in accordance with the Competitive Flexible Procedure.

- 3.10 The tendering instructions stated that the Contract would be awarded on the basis of the most advantageous tender. In evaluating tenders, the Council had regard to the evaluation criteria approved at the Authority to Tender stage, namely:
 - Quality, including operational delivery, partnership working, social value and sustainability; and
 - Commercial, including the minimum guaranteed return to the Council and overall affordability under the agency agreement model.
- 3.11 The Contract will use the Sport England Leisure Operating Contract template risk profile, adapted for the Council's local requirements and structured as an agency agreement, for a five-year term from 1 March 2026 to 31 October 2031, aligned to the Council's strategic horizon.
- 3.12 Tenderers were required to submit detailed information setting out their proposed arrangements for delivering the Contract, including (but not limited to):
 - service delivery and operational management proposals;
 - mobilisation and transition arrangements;
 - partnership working and Active Wellbeing delivery;
 - financial proposals and open-book arrangements; and
 - risk management and performance monitoring.
- 3.13 The negotiation stage was used to clarify and challenge initial submissions, test deliverability and affordability, and secure improved offers from shortlisted bidders.
- 3.14 Final Tenders were submitted on 12 December 2025 and were evaluated in accordance with the published criteria to determine the most advantageous tender.

Evaluation process

- 3.15 The tender evaluation was carried out by panels of Council officers from Active Wellbeing (Leisure), Finance, Procurement and Legal, supported by external specialist technical and legal advisors where appropriate.
- 3.16 All tenders were required to be submitted electronically via the Council's electronic tendering system no later than 12 December 2025. Tenders were opened following the submission deadline, and three valid Final Tenders were received. Each member of the evaluation panels independently reviewed and scored the submissions against the published award criteria.
- 3.17 The evaluation panels met on multiple occasions during the week commencing

15 December 2025 to moderate and agree final scores in accordance with the published evaluation methodology. This process included consideration of the outcomes of the structured negotiation phase and confirmation that the Final Tenders reflected tenderers' best and final offers.

- 3.18 The names of the tenderers are set out in Appendix 1, and the scores awarded to each tenderer are contained in Appendix 2. It will be noted that Sports and Leisure Management Ltd (trading as Everyone Active) achieved the highest overall score and was assessed as offering the most advantageous tender. Officers therefore recommend the award of the Contract to Sports and Leisure Management Ltd.
- 3.19 Subject to completion of the mandatory standstill period noted in paragraph 6.3 below and finalisation of the contract documentation, the Contract will commence on 1 March 2026.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 This procurement has been developed and delivered with internal input from Active Wellbeing (Leisure), Finance, Procurement and Legal, alongside external specialist technical and legal advisors. The report has followed the Council's standard internal sign-off processes.
- 4.2 The Lead Member for Adult Social Care, Public Health and Leisure has been engaged throughout the development and delivery of the procurement, alongside the Corporate Director of Service Reform and Strategy.
- 4.3 Engagement has aligned with the Council's approach to partnership working and community-centred outcomes set out in the Borough Plan 2023-27 (Thriving Communities; A Healthier Brent). Further engagement will take place with health partners, schools and the voluntary and community sector through the Strategic Outcomes Planning Model (SOPM) process.
- 4.4 No ward-specific or statutory consultation has been required in relation to this procurement, as it relates to a borough-wide procurement decision. Ward Members will be engaged at appropriate points through the SOPM process and in relation to any future site-specific decisions.

5.0 Financial Considerations

- 5.1 Cabinet delegated authority to the Corporate Director of Service Reform and Strategy, in consultation with the Cabinet Member for Adult Social Care, Public Health and Leisure, to award the Contract as part of the decision to proceed with a standalone procurement for Vale Farm Sports Centre on 8 September 2025.
- 5.2 The Contract is structured as a five-year agency agreement and is surplus generating for the Council. The recommended award secures a contractually defined minimum guaranteed return to the Council over the agreement period,

providing a fixed and reliable level of income irrespective of operational performance. This income certainty is particularly important in the context of the Council's wider financial position.

- 5.3 The financial outcome achieved through this procurement represents a material and substantial improvement on the Council's financial position under the existing Tri-Borough contract, the outcomes anticipated through the previous Tri-Borough procurement process, and the assumptions made at the Authority to Tender stage. This improvement reflects the benefits of competition, officer-led negotiation, and the Council's decision to pursue a standalone procurement, delivering demonstrable value-add within the approved timescales.
- 5.4 The agency agreement model provides the Council with greater financial transparency and control, including open-book accounting arrangements, while enabling income to be retained and reinvested in line with the Council's Active Wellbeing objectives.
- 5.5 In addition to the minimum guaranteed return, the Contract secures wider value for the Council through contractually binding commitments relating to social value delivery and capital investment in the facility, which will be monitored and managed through the Council's contract management arrangements.
- 5.6 The Contract will be managed within existing budgets, with income and expenditure associated with the operation of Vale Farm Sports Centre accounted for through the Council's established financial management arrangements. Ongoing financial performance will be monitored through the contract management and reporting provisions set out in the contract.
- 5.7 Financial Services have been engaged throughout the procurement process and have provided input to the development of the financial model, evaluation of bids, and assessment of affordability and financial risk model, evaluation of bids, and assessment of affordability and financial risk.

6.0 Legal Considerations

- 6.1 The value of the Contract over its lifetime is in excess of the Procurement Act 2023 (the "PA23") threshold for a public contract and the award of the Contract is therefore governed by the PA23. Section 3 of the Report outlines how the Contract was procured in accordance with the PA23, using the Competitive Flexible Procedure. The use of a Competitive Flexible Procedure is permitted in accordance with Section 20 of PA23. As detailed in this report, a procurement process in compliance with the PA23 has been conducted.
- 6.2 The Council has the power to enter into the Contract pursuant to section 1 of the Localism Act 2011 (general power of competence) and section 19 of the Local Government (Miscellaneous Provisions) Act 1976, together with all other enabling powers.

6.3 The Council must observe a mandatory minimum 8 working day standstill

period under the PA23 before the Contract can be entered into. Therefore, once a decision has been made to award the Contract, all tenderers will be issued with written notification of the Contract award decision. A minimum 8 working day standstill period will then be observed before the Contract is concluded. This period will begin on the day after all tenderers are sent notification of the award decision, and additional debrief information will be provided to unsuccessful tenderers in accordance with the PA23. The standstill period will run concurrently with the Council's usual call-in process. Subject to there being no call-in, and following expiry of the standstill period, the successful tenderer will be issued with a letter of acceptance, and the Council may enter into the Contract.

6.4 The award of the contract is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the contract is valued at more than £2 million over its term. The Council's Constitution states that contracts for services exceeding £2 million shall be referred to the Cabinet for approval of the award of the contract. On 8 September 2025, Cabinet delegated authority to the Corporate Director of Service Reform and Strategy, in consultation with the Cabinet Member for Adult Social Care, Public Health and Leisure, to award the Contract following completion of the procurement process.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

7.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

7.5 This report relates to the award of an agency agreement following a competitive procurement process and does not introduce immediate changes to service access, eligibility or availability. The award decision has been subject to equality screening, and officers consider that there are no adverse equality implications arising directly from the decision to award the Contract.

7.6 Equality considerations have informed the development of the service specification and the procurement process, including engagement undertaken before and after the issue of tender documentation. This engagement helped shape the specification included within the initial tender documentation and informed the evaluation of bids. The specification therefore requires the appointed operator to deliver inclusive services at Vale Farm Sports Centre and to demonstrate how their approach over the contract period will support the reduction of inequalities and build community capacity to access and benefit from services, in line with the Council's Active Wellbeing objectives.

7.7 Equity and inclusion requirements arising from the procurement process will be embedded within the Contract and managed through the Council's contract management arrangements. There are no additional equality or health inequality impacts arising from the award decision itself, beyond those already addressed through the specification and existing service delivery arrangements.

7.8 Additionally, the SOPM will embed equity and inclusion as core principles, ensuring the Council's future Active Wellbeing offer is responsive to community needs and targeted at reducing inequalities in access, experience and outcomes, consistent with the principle of proportionate universalism - universal access with scale and intensity proportionate to need.

8.0 Climate Change and Environmental Considerations

8.1 The Council declared a climate and ecological emergency in 2019 and is committed to achieving net zero carbon emissions from its operations by 2030. Leisure centres are a significant source of energy consumption, and the operation of Vale Farm Sports Centre is therefore a material consideration in meeting the Council's climate objectives.

8.2 The award of the agency agreement for Vale Farm Sports Centre enables the Council to embed environmental performance requirements within the service specification and contract arrangements. These include requirements relating to energy efficiency, building operation, sustainable travel, waste reduction and responsible resource use.

- 8.3 The service specification requires the appointed operator to work with the Council to support ongoing decarbonisation and environmental improvement, including energy monitoring, benchmarking and the adoption of good practice in operational sustainability, consistent with the Council's Climate and Ecological Emergency Strategy.
- 8.4 Environmental performance will be managed through the Council's contract management arrangements, enabling performance to be monitored, challenged and improved over the life of the Contract in line with the Council's wider environmental objectives.
- 8.5 Separately, the SOPM – particularly the infrastructure strategies - will continue to provide the framework for integrating sustainability and climate resilience into the Council's longer-term Active Wellbeing and facilities planning, ensuring future decisions are aligned with the Local Plan, Infrastructure Delivery Plan and climate commitments.

9.0 Human Resources/Property Considerations

- 9.1 The services subject to this Contract are currently delivered by an external operator. The award of the agency agreement does not give rise to any direct implications for Council employees. Staffing matters associated with the operation of Vale Farm Sports Centre will continue to be managed by the appointed operator in accordance with the Contract and applicable employment legislation.
- 9.2 Vale Farm Sports Centre is a Council-owned asset. The Contract relates to the continued operation of the facility under an agency agreement model, under which the operator will be granted a licence to occupy, rather than a lease. This reflects the Council's retained control over the asset and operating arrangements. There are no changes to property ownership, and the licence and associated property terms are set out within the Contract documentation.
- 9.3 The Contract secures commitments for targeted improvements to Vale Farm Sports Centre as part of the agreed service delivery arrangements. The Contract also clearly defines responsibilities for day-to-day repairs and maintenance, including agreed thresholds for operator responsibility and escalation to the Council as asset owner. These arrangements have been informed by the Building Condition Surveys undertaken as part of the procurement process and provide greater clarity and certainty than the previous Tri-Borough contract. They ensure that investment, maintenance and asset condition risks are managed transparently and in line with the Council's wider asset management approach.
- 9.3 The transition to, and operation of, the agency agreement model has been supported by appropriate legal, financial and tax advice to ensure the correct contractual structure, compliance and governance. Any associated costs have been managed within existing budgets.

- 9.4 The SOPM – particularly the infrastructure strategies – will inform any future investment decisions for Vale Farm Sports Centre, including potential refurbishment, remodelling or reprovision. These will be considered through separate business cases and decision-making processes.
- 9.5 There are no additional Human Resources or property implications arising directly from the decision to award the Contract, beyond those already addressed through the procurement process and Contract documentation.

10.0 Communication Considerations

- 10.1 There are no statutory communication or consultation requirements arising directly from the award of the Contract.
- 10.2 Communications relating to the award will focus on clarity and reassurance, emphasising continuity of service at Vale Farm Sports Centre, the benefits of the agency agreement model, and the Council's strengthened role in setting direction, pricing and priorities for the service.
- 10.3 As the service will operate under an agency arrangement, branding and public-facing communications will reflect the Council's role as service owner, with delivery undertaken by the appointed operator on the Council's behalf. This will support a clear and consistent message about accountability, quality and alignment with the Council's Active Wellbeing objectives.
- 10.4 Internal and political engagement will continue through contract mobilisation and implementation. Relevant Members and senior stakeholders will be kept informed at key points, particularly where communications relate to service continuity, branding, or the commencement of the new operating arrangements.
- 10.5 Public messaging will emphasise that the award ensures service continuity, financial stability, and a high-quality, inclusive offer for residents, while positioning the arrangement as a deliberate and time-limited operating solution that supports the Council's longer-term approach to Active Wellbeing.

Related Documents:

- [Cabinet Report - Tri Borough Leisure Contract Procurement](#)
- [Officer Key Decision - Authority to Tender Report - Leisure Procurement](#)

Report sign off:

Rachel Crossley
Corporate Director of Service Reform and Strategy