

Request No: ELIR00416 Received: 13.08.24 Resolved: 13.08.24

## Subject / Request: Foi Leisure management Systems

I am requesting the undernoted information under the Freedom of Information regulations. Please provide an email response to my request. Hard copy is not required. The information request relates to Leisure Services and specifically Leisure Management systems:

- 1. Please provide details of your Leisure Management System Provider
- 2. Please provide details of the number of sites requiring / utilising Leisure Management system functionality
- 3. Please provide details of the Hosting Method, i.e. Cloud, internal etc.
- 4. Please provide details of current contract Length and /or Expiry date.
- 5. Please provide details of value of Contract (If unable to provide exact figures please provide a range i.e. £200k - £250k
- 6. Please provide details of the Payment Method. Ei. Full payment covering term of contract or instalments (frequency)
- 7. Please provide details of the Procurement Route / Method used to source your provider, i.e. framework, direct purchase etc.
- 8. Do you have an app?
- 9. If applicable, where an app is present, Is this used to directly book activities. Fitness classes, facility or room bookings etc.
- 10. Do you have electronic member sign up

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### **Our Response**

Subject: Foi Leisure management Systems

Thank you for your request for information of 13.08.24, which has been processed under the terms of the Freedom of Information (Scotland) Act 2002.

Unfortunately, Edinburgh Leisure is only able to meet part of your request; this information is released to you now in the format requested.

## **Our Response**

Question		Our Response
1.	Please provide details of your Leisure Management System Provider	Gladstone Software
2.	Please provide details of the number of sites requiring / utilising Leisure Management system functionality	45
3.	Please provide detail of the Hosting Method, i.e Cloud, internal etc.	Hosted
4.	Please provide details of current contract Length and /or Expiry date.	March 2027
5.	Please provide details of value of Contract (If unable to provide exact figures please provide a range ie. £200k - £250k	Information withheld - Commercially sensitive Please see Application of Exemptions below
6.	Please provide details of the Payment Method. Ie. Full payment covering term of contract or instalments (frequency)	Annual
7.	Please provide detail of the Procurement Route / Method used to source your provider, i.e framework, direct purchase etc	Incumbent supplier - contract extended.
8.	Do you have an app?	Yes

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Question		Our Response
9.	If applicable, where an app is present, Is this used to directly book activities. Fitness classes, facility or room bookings etc	Yes
10.	Do you have electronic member sign up	Yes

### **Application of Exemptions**

The information that you asked for regarding question 5 'Please provide details of value of Contract (If unable to provide exact figures please provide a range ie. £200k - £250k' will not be released.

Under the terms of the Act, a request for information can be refused where one or more exemptions listed in the legislation apply.

In this instance, Edinburgh Leisure is applying the following exemption to the information that you have requested: **S33 (1) (b) Commercial Interests.** 

Exemption(s)	S33 (1) (b) Commercial Interests.
Why exemption(s) applies	The information requested regarding <b>the value of the contract</b> will not be released. Under the terms of the Act, a request for information can be refused where one or more exemptions listed in the legislation apply.
	In this instance, Edinburgh Leisure is applying the following exemption to the information that you have requested: <b>33(1)(b) Commercial Interests and the Economy</b> as release of <b>the value of the contract</b> would prejudice substantially the current supplier's (Gladstone Software) commercial interest and give advantages to competitors in the future in any tendering exercise.
	The party whose commercial interests would be prejudiced substantially by disclosure of the withheld information is the current contract holder (Gladstone Software).
	Section 33 (1)(b) provides that information is exempt if its disclosure under FOISA would or would be likely to prejudice substantially the commercial interest of any person (including without prejudice to that generality, a Scottish public authority). This exemption is subject to the public interest test in Section 2 (1)(b) of FOISA.
	Disclosure under FOISA (and, for that matter, the EIRs) is effectively disclosure to the world at large and not simply to the requester. In other

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# Exemption(s) S33 (1) (b) Commercial Interests. words, the information would be available to anyone else if disclosed, including actual and potential competitors. We recognise that there is some public interest in disclosure of this information, to provide transparency on how public money had been spent. However, we consider there to be a strong public interest in avoiding significant harm to the commercial interests of the contract provider. The withheld information would provide competitors with key information which would allow them to set up in competition with the contract provider (Gladstone Software). Disclosure would jeopardise the contract provider's ability to negotiate a further contract in the future as competitors would be aware of the details of the contract and could undercut them. Release of the requested information would prejudice substantially the current supplier's commercial interest and give advantages to competitors in the future in any tendering exercise. The disclosure of the value of the contract would be of great use to a competitor or potential competitor. Anyone considering setting up a business would first have to evaluate the potential market, before then determining whether they could take X% of that business, by for instance undercutting the current provider. As such it could substantially damage the current provider's business and would have a prejudicial effect on their ability to provide an economically viable service in a competitive market. **Public Interest** We recognise that there is some public interest in disclosure of this (where information, to provide transparency on how public money had been relevant) spent in. However, we consider there to be a strong public interest in avoiding significant harm to the commercial interests of the current contract supplier and indeed ourselves. The withheld information would provide competitors with key information which would allow them to set up in competition with the current provider. Disclosure would jeopardise their ability to negotiate a further contract in the future as competitors would be aware of the details of the contract and could undercut them. Please see public interest arguments below.

## **Public Interest Arguments - Withhold**

EL is an arms-length not for profit charitable trust charged with operating as a private company in a market which is open to entry from private competitors. In our view, the current contract provider (Gladstone Software) would be unable to compete effectively or equally with those competitors if (unlike its competitors) we are obliged to disclose commercially sensitive information

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# Exemption(s)

# S33 (1) (b) Commercial Interests.

- We believe there is a strong public interest in avoiding prejudice and significant harm to the current contract provider commercial interests by providing the details of the value of the contract, competitors would be able to use this information to gain a competitive advantage against the current contract operator
- There is a public interest in ensuring fair competition in the commercial environment
- It is in the public interest to ensure that we can operate in the competitive environment, and that we are able to do so without our status as a public body impacting significantly on our ability to operate effectively in a competitive market
- Disclosing the requested information would prejudice Edinburgh Leisure's ongoing negotiations with suppliers and undermine its commercial interests
- It is in the public interest for Edinburgh Leisure, in common with other Scottish public authorities, to be able to offer services in a competitive market, thus securing best value for the public purse
- Any profits that we generate are reinvested in our services. Consequently, we could be viewed as a net contributor to, rather than a drain on public finances, and our ongoing commercial good health benefits everyone who lives and works in Edinburgh and the surrounding area. As a result, we consider the greater public interest lies in the continued success of our business and our ability to compete fairly with our competitors and to procure the best possible outcomes during tender processes
- It is also in the public interest for any supplier of a public service to remain commercially viable and capable of offering best value, along with its potential competitors on a fair and equal footing.

The contract details are confidential and commercially sensitive information between Edinburgh Leisure and Gladstone Software.

#### **Public Interest Arguments - Disclose**

- Edinburgh Leisure recognises there is some public interest in disclosure of this information, to provide transparency on how public money has been spent.
- Given the substantial funding received from the CEC it could be argued that there is a public interest in disclosing this information as it relates to the spending of the public purse (funded by CEC).

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Edinburgh Leisure engaged the exemption in section 33(1)(b) and then considered whether, in all the circumstances of the case, the public interest in disclosing the withheld information is outweighed by the public interest in maintaining the exemption in section 33(1)(b).

Having balanced the public interest for and against disclosure, Edinburgh Leisure concluded that, in all the circumstances of the case, the public interest in maintaining the exemption in section 33(1)(b) outweighs that in disclosure of the information under consideration on the basis that disclosing the information would cause substantial prejudice to the commercial interests of the current contractor provider and Edinburgh Leisure.

Please note that this letter constitutes a formal refusal notice under section 16 of the Freedom of Information (Scotland) Act 2002.

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