

Brighton & Hove City Council

For general release

Meeting: Culture, Recreation & Tourism Committee
Policy & Resources Committee

Date: 14 November 2007
29 November 2007

Report of: Acting Director of Cultural Services

Subject: Hove Centre Catering

Ward(s) affected: All

1. Purpose of the report

- 1.1 This report considers the current catering arrangements at the Hove Centre and looks at the future provision of those services in order to maintain service continuity and to achieve Value for Money.
- 1.2 To seek approval to advertise a catering concession contract for the Hove Centre.

2. Recommendations

- 2.1 That the Culture, Recreation & Tourism Committee recommends that Policy & Resources Committee authorises officers to draw up and place the necessary notice in trade publications advertising a catering contract for the Hove Centre and inviting companies with relevant experience to register their interest.

3. Information/background

- 3.1 Following a review of the catering operation in 2001 a number of policy changes were introduced to bring about some consistency in the services available and to create a universally standard code of practice for all caterers and licensees using the building. Prior to this there had been no control over quality, pricing, food hygiene, presentation, health & safety, or staff and no uniformity. The Venues Team licensed the building for the consumption of alcohol and Hardings Bar & Catering Services were appointed as the bar operator in return for a percentage concession contract on all bar sales. At the same time, a preferred list of caterers was introduced. Any catering company wishing to provide a service to clients within the building have to sign the "Regulations for Caterers" and agree to abide by the policies for the Hove Centre. Also, if appointed, a caterer is liable to an 8% commission charge on all referrals. Organisers of

small events who only require light refreshments can service themselves by paying a nominal charge for the use of the servery area. In order to cater for a range of ethnically diverse events, organisers can still hire the main kitchen for food preparation, although in most cases food is prepared offsite and then completed and served onsite.

- 3.2 In 2006/07, out of 200 events held that required some form of catering service, 46 provided their own catering, of which 37 required ethnic catering. This meant that only 9 non-ethnic events, i.e. less than 5%, provided their own catering and only one of these was for a sit down banquet. All the other events were serviced by Hardings.
- 3.3 If cost effectiveness in the delivery of services and the return to the Council is to be maximised as part of the Council's Value for Money Review, then both the bar and food service should be combined into one single concession contract and subjected to a competitive tendering exercise. However, in order not to damage the venue's business, it will be necessary to create a small number of exemptions to still allow organisers the use of the main kitchen for ethnic catering and specialist vegetarian/vegan caterers. In addition, provision will need to be made to accommodate the requirements of the CAMRA Beer Festival.

4. Tendering Process

- 4.1 The tendering process will be conducted in accordance with the Public Contract Regulations 2006, which currently govern public service concession contracts. Under the Regulations, public service concession contracts are excluded from the EU Procurement Rules and the UK Regulations, which incorporate the EU Procurement Directive into UK law.
- 4.2 Although the EU Procurement Directive itself does not apply to such service concession contracts, this does not mean that the Council should not go out to public tender to award the contract. The Council is still under the duty to achieve best value in the award of contracts and to apply the general principles of the EU Treaty of non-discrimination, transparency, proportionality and the maintenance of competition in the award of contracts.

5. Guideline Notes

Set out below are a combination of proposed tender instructions, aims and policies of the Council for inclusion in the Tender Information Pack. They are intended to outline the spirit of the agreement and to assist tenderers with their submission.

5.1 Contract Length

For a minimum of 5 years commencing on 1 May 2008 with the option to extend annually thereafter at the Council's discretion.

5.2 Menus

The Contractor will be expected to submit details of their menu proposals for all catering requirements, including relevant information on the service and presentation standards.

5.3 Prices

The Contractor will be expected to submit details of their proposed selling prices. The Council will benchmark prices against similar operations and will retain the right of approval, not to be unreasonably withheld, throughout the Contract period.

5.4 Staff

The Council places great importance in this area and will expect the Contractor's staff to:

- adopt a helpful and attentive attitude towards the customer, offering help and advice if required;
- be of smart appearance and present themselves at all times when working on the premises in the agreed uniform;
- implement and comply with all the agreed procedures of the contract for all aspects of the operation of the food and beverage facilities at the Hove Centre;
- receive full training in order to carry out their duties effectively. The Contractor will be required to submit to the Authorised Officer full details of their site specific staff training programme for approval prior to the commencement of the contract;
- be familiar with and adhere to the Hove Centre's regulations and emergency procedures and attend training sessions with the Centre's staff as requested by the Authorised Officer;
- actively seek positive ways to improve the service taking into account the needs of the customer. The Contractor will be expected to maintain a written suggestion scheme for both customers and staff;
- maintain a full product knowledge.

The Contractor will be expected to submit details of their proposed staffing structure and levels with their tender.

5.5 Food Strategy

The Council's Food Strategy contains targets for procurement. Some of the issues to consider when procuring food and drink include:

- Are sustainable farming methods used in its production?
- What are the transportation issues (food miles/minimise deliveries)?
- Can seasonal or organic options be specified?
- Can Fairtrade options be sought?

- Consider the need to cater for ethnic, cultural and religious diets?
- Is packaging purposeful, minimal and recyclable?
- Does the food and drink promote healthy living?
- What are waste disposal/recycling arrangements?
- What are the service supplier's safety, welfare and training arrangements?

These are the kind of questions that will need to be considered at the evaluation stage.

5.6 Fairtrade

In October 2004, Brighton & Hove became a Fairtrade City. In supporting Fairtrade the Council seeks to meet its aims by demonstrating commitment to sustainable procurement in terms of Corporate Social Responsibility and fairness for all. The promotion of Fairtrade as an optional choice also meets the social inclusion/social justice aims of the Community Strategy by "supporting others less fortunate than yourself". A product with the Fairtrade mark has also been produced within a set of minimum environmental standards. Fairtrade products should be included as an option to be provided in the tendering of Council catering contracts.

5.7 Investment

The Council should seek to receive proposals for investment in the bars, serveries and function areas. Any proposals will need to be accompanied by plans, visuals and a capital expenditure breakdown.

5.8 Performance Standards and Monitoring

The Council should monitor the contract fully, both informally and formally and seek to work with the Contractor to devise a fair and mutually agreeable system based on performance standards.

5.9 Reserved Rights

The Council should reserve to itself the right to permit:

- organisers the use of the kitchen for ethnic catering and specialist vegetarian/vegan caterers;
- those staging a performance or event taking place at the venue to bring their own caterers to provide a backstage food service to the artistes and crew in respect of such performance or event;
- the special requirements needed to stage the annual CAMRA Beer Festival.

COMMITTEE REPORT APPENDIX

Meeting/Date	Culture, Recreation & Tourism Committee - 14 November 2007
Report of	Acting Director of Cultural Services
Subject	Hove Centre Catering
Wards affected	All

Financial implications

A combined contract for bar and catering services should provide a revenue saving for the Council.

Finance Officer consulted: Patrick Rice *Date:* 22/10/07

Legal implications

Public service concession contracts, as outlined in the body of the report, are excluded from the EU and UK procurement legislation. However, where the council does award such contracts there must be an express clause in the contract that puts the concessionaire under a duty not to discriminate in the award of his contracts to buy or hire goods;

- a) on the grounds of discrimination against other EU persons or bodies, or
- b) that the goods to be supplied can only be supplied by one State, e.g. the concessionaire cannot stipulate in his contract that he will only "buy or hire British goods".

Lawyer consulted: Dianne Bates *Date:* 19/10/07

<p>Corporate/Citywide implications There are no implications arising from the proposals in this report.</p>	<p>Risk assessment Full risk assessments will be carried out by the incoming contractor in conjunction with the Client Contract Officer. Key risks identified will need to be dealt with and regularly reviewed and updated by the respective parties.</p>
<p>Sustainability implications The Council's Code of Practice on Sustainability will be passed to all bidders at the Invitation to Tender stage and tenderers will be required to demonstrate how they have considered sustainability issues.</p>	<p>Equalities implications Responses on Equalities issues provided by the tenderers in their tender documentation will need to be evaluated. The preferred contractor will be required to comply with all relevant legislation, Codes of Practice, including the Council's "Procurement Code of Practice - Workforce Matters and Equalities", the Council's Race Equality Scheme and good employment practices.</p>

Implications for the prevention of crime and disorder

There are no implications arising from the proposals in this report.

Background papers *[Part 1 reports only]*

1. Regulations for Bar & Catering Companies
2. Condition governing catering for functions at Hove Centre

Contact Officer

David Fleming - Asst Director, Major Projects & Venues - ext 2700

Steve Piper - Head of Venues - ext 2660