

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 10 May 2022

TITLE	Conferencing, Events and Catering contract for Museum Sites		
Ward(s)	Central		
Author: Francesca Woollorton	Job title: Conferencing & Events Manager		
Cabinet lead: Cllr Craig Cheney, Cabinet Member Finance, Governance and Performance	Executive Director lead: Stephen Peacock, Executive Director Growth and Regeneration		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member Decision forum: Cabinet			
Purpose of Report: <ol style="list-style-type: none">To seek approval for a 12 month extension of the current Catering and Events contract with RA Venues for M Shed and Bristol Museum & Art Gallery. This contract covers events and conferencing, cafes, food and beverage provision for these sites as an income generating service. This would see the contract end October 2023 (minimum income value of £380K+).To seek approval to commence the procurement process for the Bristol Museums Events & Catering contract for Oct 2023 – Sept 2028 and award the contract.			
Evidence Base: <ol style="list-style-type: none">The Current contract with Restaurant Associates (RA) is a 5 year concession contract for cafes, Events and conferencing at Bristol Museum & Art Gallery and M Shed, with a minimum income of £380K delivered by 100% room hire & 17% sales commission (pre pandemic closure this was 487K from £2mill in sales). The contract also recovers staffing and service costs circa 100KThe current contract comes with significant capital investment (300K) from RA to grow the business which they have been unable to see the full benefit of due to closure of Museum sites as an impact of Covid from March 2020 to May 2021. This equates to 14 months of lost trading for the contract.Trade at sites has not yet reached pre pandemic levels. To go out to full tender for a new 5 year contract at a period where trade is unstable is likely to lead to BCC not reaching suitable levels of return and investment. BCC would be better placed to go to market when the market stabilises.A 12 month extension of the existing contract would allow time for business to recover to gain the best return at market when the contract goes to tender.The extension would give the Council time to develop a wider cross-council food and beverage contract, providing better value for money.Procurement route would be for extension until Oct 2023 and the following new contract would be an OJEU tender and award for 5 years as advised by procurement.			
Cabinet Member / Officer Recommendations: <p>That Cabinet:</p> <ol style="list-style-type: none">Authorise the Executive Director for Growth & Regeneration in consultation with the Deputy Mayor – Finance, Governance and Performance to extend the Restaurant Associates Bristol Museums Events & Catering contract for a period of 12 months from October 2022 to September 2023.Authorise the Executive Director for Growth & Regeneration in consultation with the Deputy Mayor – Finance, Governance and Performance to take all steps required to procure and award the Events &			

Conferencing Contract for October 2023 – September 2028 with a value of circa £3m (including any individual contracts over £500k) in-line with the procurement routes outlined in this report and the associated legal commentary.

Corporate Strategy alignment:

Links to Council building blocks:

- Development and delivery by working in partnership to deliver quality services
- Environmental sustainability by using the procurement process to maximise our positive environmental impacts and mitigate negative ones
- Equality and inclusion by ensuring our offer meets the needs of Bristol’s diverse communities
- World Class Employment by ensuring our partner offers the highest levels and standards of employment providing Real Living Wage as standard and ensure the workforce reflects the population

Links to Council themes:

- Effective Development Organisation:
 - One Council -making it easier to get things done as ‘One Council’
 - Good governance – make sure we are financially competent and resilient, offering good value for money
 - Economy and Skills - This contract is a key strand of C&CI’s income generation and provides economic growth from within the service that is inclusive and resilient

City Benefits:

1. Provides competitively priced central locations for citizens and business to host meetings, conferences and events with food & beverage options
2. Part of our core Bristol Museums offer via good quality café offering Will ensure all food & beverage contracts align to the public health, social value commitments and policy and sit alongside other food procurement exercises.
3. Contract requirements will include sustainable development goals for environmental impact in line with the one city climate strategy
4. Ensures delivery of world class employment by working with the contract owner to drive for workforces that reflect the population, deliver workplaces that are healthy and inclusive and offer more opportunities and jobs with real living wage.
5. Maintains business continuity at Museum Venues during a year of significant change including budget reductions and restructure of teams enabling a seamless continuation of service.
6. The ability to maintain business operations enables C&CI to meet financial targets.
7. Enables sufficient time for Culture with support from procurement colleagues, to re-tender the contract in 2023.

Consultation Details:

1. Engagement and advice from BCC procurement and legal colleagues
2. C&CI SLT sign off – Jon Finch approval to progress to DMT
3. DMT sign off –approval to progress
4. EDM sign off – approval to progress

Background Documents:

Previous Cabinet approval for catering and concessions contracts within council buildings

<https://democracy.bristol.gov.uk/ieDecisionDetails.aspx?ID=526>

Good food and catering procurement

<https://bristolintranet.moderngov.co.uk/ieDecisionDetails.aspx?ID=313>

<https://bristolintranet.moderngov.co.uk/ieListDocuments.aspx?Cid=135&MID=2563>

Revenue Cost	£-380,00 Income to council per annum	Source of Revenue Funding	Income Funded
Capital Cost	£ N/A	Source of Capital Funding	Third party capital through contract agreement
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input checked="" type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

- Finance Advice:** This report seeks approval to extend the Restaurant Associates Bristol Museums Events & Catering contract for a period of 12 months between October 2022 and September 2023. Cabinet approval is required for this extension as this extension will take the total value of this contract from the £1.9m previously approved to a new value of £2.28m. This is based on a minimum guaranteed income of £0.380m per year.
- This proposed additional 1 year extension will be on the same basis as the existing 5-year contract and therefore will provide a minimum income of £0.380m per year over the 12 months of the new contract period.
- The total income received under the contract is dependent on sales so the actual amount received will vary in line with trading fortunes. The contract also provides for staff time to be recharged over and above the minimum income levels plus a standard charge of £0.055m per year is levied for utilities/services.
- The income received for the current financial year is forecast to be £0.309m. This has been affected by the disruption to trade caused by the pandemic. The expectation is that trade and income will return to normal levels in the new financial year and contract period.
- The report also seeks approval to commence the retendering of this contract and award the Events & Conferencing Contract for October 2023 – September 2028.

It is estimated that with improved trading conditions, this could increase the guaranteed income to the council to approximately £0.600m per year and circa £3m over the total contract period.

Finance Business Partner: Kayode Olagundoye, Finance Business Partner, 4 March 2022

2. Legal Advice: The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.

Legal Team Leader: Husinara Jones, Team Leader/Solicitor 1 March 2022

3. Implications on IT: No implications on IT in regards to this activity

IT Team Leader: Gavin Arbuckle – Head of Service Improvement and Performance 4 March 2022

4. HR Advice: There are no HR implications associated with the extension of the external catering provision'

HR Partner: Celia Williams, HR Business Partner 21 March 2022

EDM Sign-off	John Smith, Director Economy of Place	9 March 2022
Cabinet Member sign-off	Councillor Cheney, Cabinet Member Finance, Governance and Performance	21 March 2022
For Key Decisions - Mayor's Office sign-off	Mayor's Office	28 March 2022

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of	YES

Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO