

Executive Advisory Panel Service Delivery, Performance and Customers

1st November 2021

Report Title	Procurement of Catering Services at Corby East Midlands International Pool
Report Author	Julie Cardwell, Principal Leisure Officer – julie.cardwell@northnorthants.gov.uk
Executive Member	Councillor Helen Howell, Executive Member for Sport, Leisure, Culture and Tourism

List of Appendices

Appendix A – Purchasing Gateway Report

1. Purpose of Report

- 1.1. This report requests the Service Delivery, Performance and Customers Executive Advisory Panel consider the procurement of the Catering services at Corby East Midlands International Pool to inform the Executive decision at its meeting on 18th November 2021.

2. Executive Summary

- 2.1 The Catering provision at Corby East Midlands International Pool is currently managed in-house by the pool management team. The services have had two failed concessionaires in the past few years and a further unsuccessful procurement process in 2018.
- 2.2 The service was closed in 2020 due to Covid and reopened in May 2021, the service requires management from an experienced catering concessionaire to ensure that the service operates effectively, profitably and provides the services required for customers at CEMIP. The facility is recovering from loss of customers following Covid and the café is currently offering a reduced service.
- 2.3 A committee report was presented to the Corby Borough Council's One Corby Policy committee on 8th October 2019 with the recommendation to tender the catering service for a maximum of 5 years, and this process of developing a tender was underway when the cafe was closed due to the Covid lockdown. It was a difficult time for hospitality and not an appropriate time to undertake the procurement.

- 2.4 Following a full and compliant procurement process a comprehensive and impartial evaluation and moderation will be undertaken with all compliant bids received. The bid offering the best option based on quality, service, sustainability, and price will be accepted

3. Recommendations

- 3.1 It is recommended that the Service Delivery, Performance and Customers Executive Advisory Panel:
- a) Considers the procurement process for the Catering Contract at Corby East Midlands International Pool; and
 - b) Provides feedback to the Executive to inform their decision making at its meeting on 18th November 2021

4. Report Background

- 4.1 The Catering at CEMIP has been tendered previously alongside the bar provision at Lodge Park Sports centre.
- 4.2 Over the past few years there have been two unsuccessful providers operating these facilities and a further procurement exercise resulted in no tender being awarded.
- 4.3 In December 2018 Corby Borough Council took on the management of the catering service at CEMIP and closed the bar provision at the Sports Centre.
- 4.4 In October 2019 a committee report to the Corby Borough Council One Corby Policy Committee recommended that the catering service at CEMIP be tendered on its own without the bar service at Lodge Park Sports Centre. The process had to be stopped when the Covid lockdown in March 2020 closed the service for over 12 months.
- 4.5 Catering staff were furloughed in June 2020, and since reopening in May 2021 there has been a reduction in customers as the facility has gradually recovered pre-Covid capacity.
- 4.6 A catering manager and catering staff have left the Council and not been replaced, the catering service is currently working on one member of staff on shift on a normal day with support from casuals and pool staff when needed.
- 4.7 A report has been presented to the Purchasing Gateway Group and is attached as an appendix to this report.

5. Issues and Choices

- 5.1 The current service delivery is not sustainable, offering a reduced service with one member of staff, is not providing enough income to cover operational costs of the service.
- 5.2 The CEMIP management team need to be able to focus on the delivery of services for the hundreds of thousands of visitors to the facility each year for the pool, gym, health suite, fitness studio and creche to ensure that all our customers' needs are met.
- 5.3 An experienced catering provider would be able to give the support to the cafe in CEMIP and have the level of expertise needed to manage the service which provides an important community meeting place and caters for events such as children's birthday parties and Swimming Galas.
- 5.4 A further choice for the service would be to close and have only vending in the facility which would impact on social interaction and atmosphere in the centre and therefore the overall customer experience.
- 5.5 The procurement will follow a compliant procurement process, run in line with the requirements of the Public Contracts Regulations 2015, the Concession Contracts Regulations 2016 and the Councils internal rule, processes and procedures.
- 5.6 This will be a Concession Contract. The Council will entrust the provision and management of the catering service to a concessionaire who can exploit the services they provide on behalf of the Council to achieve an income. Where this is the case, the Council will require the concessionaire to provide the service that the customers within the facility require and may provide an income to the facility and Council.
- 5.7 Currently the service is costing the Council to provide it, procuring it will enable the service to be delivered at no cost and may result in a small income to the CEMIP and NNC.
- 5.8 As businesses continue to recover from the impact on Covid it is anticipated that there will be some interest now in this procurement process and as such the process should be started as soon as possible.

6. Implications (including financial implications)

6.1 Resources and Financial

- 6.1.1 The Catering arrangement will be a Concession contract, so its value is determined by the value of the service to the Concessionaire (i.e. what the contract is worth), rather than how much the Council will pay for the service. The anticipated contract turnover for the term of this contract has been calculated as £668,893 based on the financial income data from previous incumbent provider of the service when providing a full service and offer. This will be the concession turnover and not what the Council should expect to receive as income from the supplier.

6.1.2 The Council will retain ownership of equipment and furniture within the café and kitchen, but the concessionaire will invest in any new equipment required to deliver the service, a full inventory of Council assets will be taken before any contract is awarded. Any portable equipment which breaks during the term will be repaired or replaced by the concessionaire in agreement with Facility management.

6.1.3 The service is currently forecast to make a loss in 2021-22 of £22,792, this is mainly due to being closed for Covid, a slow recovery in the service since reopening and the offer being considerably reduced.

6.2 **Legal**

6.2.1 The Legal team have been engaged through PGG to ensure a full and an appropriate contract is prepared for any successful concessionaire.

6.3 **Risk**

6.3.1 There is a risk of delay of the conclusion of the procurement if any further decisions need to be referred to the Executive and not delegated to the Executive Director for Adults, Communities and Wellbeing.

6.3.2 If a decision is made not to procure the service, then this will continue to have a financial impact on the Council due to not operating the service to its full potential and not providing the level of services that customers expect.

6.4 **Consultation**

6.4.1 There has been no consultation undertaken with users of the service.

6.5 **Consideration by Scrutiny**

6.5.1 The procurement process may be selected by Scrutiny for consideration.

6.6 **Climate Impact**

6.6.1 The specification asks that the concessionaire sources local and sustainable food sources and undertakes appropriate recycling opportunities.

6.6.2 The Concessionaire will work with facility management to ensure that energy efficiency is a priority and that working practices are managed to ensure that this is achieved.

6.6.3 The provider will work with facility management to consider future energy efficiency opportunities and look to develop and implement where possible.

6.7 Community Impact

- 6.7.1 An Equality Screening Assessment has been undertaken and included as part of the report and presentation to PGG.
- 6.7.2 There are opportunities of positive impacts on the local community from this procurement including the local economy through employment and supply chains and social and environmental through encouraging more visitors to the CEMIP facility.
- 6.7.3 There are opportunities of employment of local people as the café offering is extended.
- 6.7.4 The venue offers a town centre, accessible meeting space for the community.
- 6.7.5 Local business can benefit from providing services to the café.
- 6.7.6 Hundreds of thousands of swimmers, fitness members, parents, children's parties, judges, officials, and all members of the public have somewhere to meet within the facility and can be catered for.

7. Background Papers

- 7.1 None