

TO: AUDIT & RESOURCES SCRUTINY COMMITTEE - 1ST APRIL 2003

SUBJECT: STAFF CATERING AT RIVERSIDE HOUSE

FROM: LEISURE AND AMENITIES

1. PURPOSE OF REPORT

1.1 Members of the Resources Scrutiny Committee requested a further report from officers on the current situation regarding vending and catering services at Riverside House.

2. BACKGROUND

2.1 Members will recall that on the authority's move to Riverside House a decision was taken following consultation with staff and trade unions to provide a catering and vending service for staff in the new premises. These services were initially provided through a contract with catering company Eurest and by the leasing of 7 drinks machines, 1 can machine, 1 snack machine and 1 confectionary machine. The vending machines provide free chilled water and are supplemented by plumbed cold water machines at specific locations in Riverside House. In addition a series of kitchens with instant hot water boilers were installed on each floor. This arrangement was considered to be the most effective at the time in view of feedback from staff and advice from the caterers.

2.2 The contract with Eurest was terminated in March 2002 when it became obvious that there was insufficient support from staff to sustain this level of service. At this stage the cost of providing the full catering service was projected to be approximately £47,400.

2.3 The reduced catering service is based on Ms Kelly Baylis (a previous Eurest employee) providing a hot/cold snacks, drinks and confectionary service from which she retains the profit while the authority provide and maintain kitchen and vending machines and pay utility costs. Given the limited time Ms Baylis has to operate this service, the number of operational hot/cold vending machines has been reduced with two of the machines being relocated to leisure centre sites where they generate negligible income for the authority but are providing a service.

2.4 In the time that the authority have been in Riverside House, patterns have emerged that are contra to the indications that staff gave prior to the move in terms of what vending provision they would use. As Units have become established in Riverside House, "tea/coffee groups" have emerged with staff making tea/coffee in the kitchens rather than using vending services. This has resulted in lower than envisaged usage being made of many of the functioning

machines. Once these groups have become established it is unlikely that staff would revert back to vending services even if they were more reliable than at present. Officers have investigated the possibility of “buying in” a maintenance and filling service from a specialist company who could provide a more reliable vending service through the existing machines (see paragraph 3.5 for costs)

3. POLICY AND BUDGET FRAMEWORK

- 3.1 The annual budget for provision of staff catering and vending at Riverside House is £10,600. These costs cover the annual leases of the vending machines detailed above in paragraph 2.1 It is anticipated that the actual spend for 2002/03 will be approximately £11,000 including some maintenance costs. The anticipated small overspend can be covered by virement from an appropriate budget at the end of the financial year.
- 3.2 The arrangement negotiated with Ms Baylis has resulted in the authority benefitting from a hot and cold snacks service and hospitality for meetings and events at Riverside House, both of which are well supported. Compared to the cost of the service provided by Eurest officers feel that the authority are getting significantly better value for money under the present arrangements. If Ms Baylis were not to be providing these services then an alternative arrangement would need to be considered for providing the hospitality service which could cost in the region of £10,000

4. OUTCOME(S) REQUIRED

- 4.1 Members are asked to consider the report and advise officers of their views on the future arrangements for vending and catering provision at Riverside House.

Dale Best
Head of Leisure and Amenities

BACKGROUND PAPERS

Resources Scrutiny Report - 3rd December 2002

Resources Scrutiny Report - 3rd April 2002

Areas in District Affected:

N/A

Executive Portfolio Area and Holder:

Corporate Services and Community Leadership - Cllr Bob Crowther.

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