

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2412
Author:	Andrew Beighton
Department:	Communities
Contact:	Andrew Beighton (Job Title: Commercial Account Manager, Email: andrew.beighton@nottinghamcity.gov.uk, Phone: 01158765782)
Subject:	Approval for catering facilities
Total Value:	£99,428 (Type: Revenue)
Decision Being Taken:	<p>To approve the revenue spend from Trading Operations to the transfer of the delivery of the existing catering services at two joint service centres Bulwell Riverside and Mary Potter to the in-house City Catering team under the established Bean Culture brand.</p> <p>To delegate financial spending authority to the Head of Trading Operations for up to £19,845 to establish these venues.</p>

Reasons for the Decision(s)

As part of the proposals in 2016/ 2017 business plan for Commercial Catering, part of Neighbourhood Services expansion is its professional catering service under the Eat Culture and Bean Culture trademarked brands.

Bean Culture now successfully operates from Nottingham Tennis Centre, Harvey Hadden Sports Village and the Central library, in addition to the established facility at Loxley House with further venues currently under review.

Trading Operations have been in discussion with various partners and have identified an opportunity to take over the existing provision at two joint service centres. Steps have been taken to notify the current provider of the intention to transfer the existing service delivery to Nottingham City Council Bean Culture from 1st April 2016. The current provider is agreeable to this change in provision and has been agreeable in providing information required to transfer these services.

Bulwell and Mary Potter centres are commissioned by NCC therefore as this services is being brought in-house and an SLA will be developed to monitor this service.

The service has identified a revenue investment allocation from within Neighbourhood Services to enable the initial investment to be made as part of its expansion and repayment of this investment will be made from the surplus generated from this activity.

The initial financial investment required for the two new outlets will be c £19,845 plus stock in the 2016/17 financial year. The total rent due on the two locations is £22,140.

Operating budgets of income and expenditure for each outlet will provide a net financial benefit for the service as detailed on the enclosed financial analysis.

Existing staff will transfer to Nottingham City Council following appropriate consultation in line with Transfer of Undertakings (TUPE) Regulations.

Other Options Considered:

Option1 - Do nothing.
 Opportunity to secure additional income into the authority would be lost, this may also impact on lost opportunities for economies of scale with purchases and management overheads as Bean Culture continues its period of expansion.

Option 2.
 Re tender for third party provider, this would result in a fixed level of income with no further opportunities for sustained growth during the period of the lease.

Background Papers:

Business case for catering venues (exempt)

Published Works:

Affected Wards:

Arboretum, Berridge, Bulwell, Bulwell Forest, Clifton North, Clifton South

**Colleague / Councillor
Interests:**

**Any Information Exempt
from publication:**

Yes

Exempt Information:

**Description of what is
exempt:**

Business case, cashflow forecasts, legal and financial advice.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

**1 - Information relating to
any individual**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains confidential information relating to individuals affected by this matter.

**2 - Information which is
likely to reveal the identity
of an individual**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains confidential information relating to individuals affected by this matter.

**3 - Information relating to
the financial or business
affairs of any particular
person (including the
authority holding that
information).**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains commercially sensitive information relating to the financial or business affairs of the Council.

**4 - Information relating to
any consultations or
negotiations, or
contemplated consultations
or negotiations, in
connection with any labour
relations matter arising
between the authority or a
Minister of the Crown and
employees of, or office
holders under, the
authority.**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains confidential information relating to individuals affected by this matter which is the subject to relevant consultation processes.

5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains legal advice relating to current and confidential matters on behalf of the Council.

Documents exempt from publication:

Proposal_NCC Commercial Catering_Bulwell Riverside.doc, Proposal_NCC Commercial Catering_Mary Potter.doc, 2016-03-24 delegated decision legal advice.pdf, JSC Catering Comments.docx, JSC DDM v3.xlsx

Consultations:

Date: 08/03/2016
Ward Councillors: Nicola Heaton
Briefed at 1:1 with Lee Kimberley.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None directly related to this decision.

Equality:

EIA not required. Reasons: The proposed changes do not present any equality impact as all venues provide an existing universal service to all customers.

Relates to staffing:

Yes

Relates to Council Property Assets:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

No
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Cllr Brian Parbutt
Consultation Date: 29/03/2016

- Contract start date of the 1st April, we are required to reopen the café provision on the 4th April 2016 - Staff are directly impacted by the decision and consultation has started with a view to transfer for the 1st April 2016. - The catering growth is identified within the Departmental business plan to contribute towards additional income targets

Advice Sought:

Legal, Finance, Human Resources, Property

Legal Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by John Bernard-Carlin (Team Leader) on 24/03/2016.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by Gary Robbins (Finance Analyst) on 31/03/2016.

HR Advice:

As the proposal relates to a service being brought in-house, this will create a 'Service Provision Change' under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

It is considered that there is an organised grouping of employees assigned to the service that will transfer from the current provider to Nottingham City Council. There is one additional individual who has been proposed to transfer across by the existing provider, but on review of the information provided, Nottingham City Council's view is that they do not form part of the organised grouping of employees assigned to the service and therefore will not transfer.

TUPE places an obligation on Nottingham City Council as the transferee to inform and consult with affected employees and trade unions and provide information in relation to any potential measures to the transferor. The department is working closely with the HR and Legal teams to ensure that they fulfil their legal obligations.

An appropriate induction will be planned to ensure individuals feel welcomed into the organisation and the transition is successful and continuity is provided for service users.

Advice provided by Faye Truong (Service Redesign Consultant) on 11/03/2016.

Property Advice:

I understand that the Riverside and Mary Potter centres are LIFT projects and in our ownership. In respect of any property agreement for Clifton Cornerstone this is subject to the Director of Strategic Assets and Property granting Delegated Approval once any satisfactory lease terms have been agreed and occupation not to commence until a formal lease and Service level Agreement has been completed. Advice provided by Peter Taylor (Senior Surveyor) on 18/03/2016.

Signatures

Nicola Heaton (Portfolio Holder for Community Services)

SIGNED and Dated: 08/04/2016

Andrew Vaughan (Corporate Director Commercial and Operations)

SIGNED and Dated: 08/04/2016