

AGENDA ITEM NO.

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to	Meeting of the Executive
Date	4th November 2013
Subject	Review of the provision of the Main Office Canteen
Portfolio Holder(s)	Richard Dew
Lead Officer(s)	Rhys Griffiths
Contact Officer	Paul Hinchcliffe
Nature and reason for reporting The canteen provision within the main offices has been the subject of consideration since the service was brought in house during 2012. Following a staff survey in 2013 and the receipt of a petition, a decision is now required to confirm the future of the facility.	

A – Introduction / Background / Issues

The Canteen facility provided within the Main Office building which was opened in 1998. It was expected at that time that the facility would operate at a profit and it was originally managed by an external caterer through a contractual arrangement. This arrangement provided for a rental income to be paid to the Council for the exclusive use of the Canteen to provide catering for the Council's requirements. Following some difficulties experienced in that contract and a subsequent tendering process, a new company was engaged in 2007 to provide the catering service for a period of 5 years. The terms of the agreement were broadly similar to the earlier agreement but with a reduced rental requirement. Following a period of dispute during 2010/11, a report was submitted to the Commissioner on 6 December 2011 and a decision was taken to terminate the contract and transfer the to an in-house provision. The longer term arrangements were to be reviewed further in light of experience gained during 2012 in running the facility.

During the budget process in the autumn of 2012 a bid was submitted for funding of £15,000 to cover a deficit in running costs which was being experienced. This bid was not accepted by the Council and a report was submitted to the Portfolio Holder on 15 March 2013 to seek a way forward. A decision was taken to consult with staff and users on options to either close or reduce the provision and accordingly a survey was undertaken during April 2013. During the period of consultation a petition was also raised opposing the closure of the canteen. The petition was presented to the County Council at its meeting on 10 October 2013 and it was reported that following review a report would be presented to the Executive for a decision to be taken.

This report provides information following analysis of the staff survey results, consideration of the petition and with respect to the current financial account in respect of the canteen.

B – Considerations

Results of the Consultation

The consultation period commenced on 16 April 2013 and came to an end on 30 April 2013. The consultation was carried out via the Y Ddolen / The Link on email (with requests for staff not on the system to be provided with a hard copy), was included on the staff MonITor system, was also sent to all Heads of Service and was also sent as hard copy to all Elected Members.

The consultation asked respondents about their service area, frequency of visits to the canteen and preferences for a variety of options for future provision. Space was provided for comments to be provided.

Overall the level of responses received to the consultation was considered to be low, especially as there was also an indication at the time of the consultation taking place that a petition was being raised against possible closure. The Main Office accommodates the majority of office based staff working for the Council. A recent survey has indicated a total of 609 workstations although it is likely that more than this number of staff work from the building when flexible working arrangements are also considered. Whilst the canteen primarily serves staff within the Main Office, staff from other Council owned office buildings may also make use of the canteen from time to time. Staff employed by the Council also includes, for example, Social Workers, Teachers and others who may make only occasional visits to the Main Office during the course of their work. 92 staff and members responded to the consultation and this represents 15% of staff, based on the workstation provision, regularly working in the Main Office building.

The following statistics resulting from the consultation are considered to be of note:

The majority of respondents make regular use of the canteen either daily or several times a week. However, a high proportion of respondents (30%) only use the canteen occasionally. Six of the respondents identified locations other than the Main Office as their working base and three respondents did not identify any working base or service area. The percentage of respondents who are based in the Main Office as a proportion of all staff (based on workstations) regularly working in the building is 13%.

The percentage of respondents using the canteen on a daily basis was 21% and the percentage of staff based in the Main Office who responded to the consultation and who use the canteen on a daily basis was 19%.

The following tables are provided to indicate more details of the responses received. A number of charts are appended to this report to further indicate the responses received.

Frequency of use of the Canteen by respondents

	No.	%
Daily	19	20.7
Several times per week	29	31.5
Several times per month	11	12.0
Occasionally	28	30.4
Very rarely / never	3	3.3
respondent not providing data	2	2.2
totals	92	100.0

Overall percentage in favour of various options

	No.	%
Hot meals	54	38.0
Cold meals	30	21.1
Sandwiches	19	13.4
Pre packed	15	10.6
Sandwich service	16	11.3
nothing	8	5.6
totals	142	100.0

Only 48 staff and members using the canteen on a daily basis or several times a week responded to the consultation. This represents a low customer base for the purpose of business planning in connection with any venture to keep the canteen open as an operational facility and which covers its own costs.

Slightly over 1/3 (38%) of respondents indicated a preference for hot meals to be continued. A slightly higher percentage (41%) indicated preferences for options which do not include any provision of meals, i.e. sandwich and drinks, pre-packed foods, a sandwich service around the offices or no provision at all (other than kitchenettes within the service areas), whilst 21% indicated a preference for only cold meals to be provided.

The majority of respondents who visit the canteen daily or several times a week (48 respondents in total) indicated a preference for hot and/or cold meals to be provided (72%). However, 43% of those visiting only several times a month or occasionally (42 respondents in total) also indicated a preference for hot and/or cold meals. The provision of hot and cold meals on a daily basis for a base level of say 50 customers whilst also providing the same options for a further similar number of customers who may, or may not, visit is likely to lead to either inefficiencies in running the facility, or disappointed customers. Of those indicating a preference for sandwiches, pre-packed foods, sandwich service or no provision just over 1/3 (38%) visited the canteen daily or several times a week, whilst just under 2/3 (62%) visited

several times per month or less. The figures were almost reversed for those indicating a preference for hot and cold meals who visited the canteen daily or several times a week (68%) and for those who visited several times a month or less (32%).

Overall, and considering the relatively low numbers of returns to the survey and the relatively low numbers of staff and Members who apparently use the canteen daily to purchase hot meals, it is difficult to draw firm conclusions from the survey to support the continued provision of a hot food service.

On average, and based on daily takings, it is estimated that each day approximately 25 persons make use of the canteen for breakfasts, approximately 30 persons purchase a midday meal and a further approximately 30 persons purchase sandwiches at lunchtime.

Petition

As noted above, during the period of the survey a petition had been organised for concerned staff and members to sign in order to register an objection to the proposed closure of the canteen.

The petition has been analysed in conjunction with the results of the consultation questionnaire. Approximately 51 staff and Members (some 55%) of those responding to the survey consultation document also signed the petition. Five of those signing the petition appear also to have expressed a preference in the survey consultation response indicating they would not require hot or cold meals to be available.

The petition included 406 signatures. Further analysis indicates that some 8 signatures are duplicate entries and some 6 signatures appear to be from persons who are not staff or Elected Members. There appear therefore to be some 392 valid signatures on the petition, 51 of whom (13%) have also responded to the survey consultation, as noted above.

It is clearly apparent that the majority (87%) of persons signing the petition did not consider it appropriate to complete a staff survey to inform the process of their preferred options. It is not clear therefore how many of those who signed the petition visit the canteen on a daily or regular basis to purchase meals. It is apparent from the information provided above however that considerably less than 406 staff and members visit the canteen to make purchases on a daily basis.

Financial Considerations

Until 2012 the canteen had been operated by external organisations and only limited financial information or usage figures have been available to the Council. 2012/13 represents the first financial year for which the Council has detailed financial information and the following figures provide the year end situation.

The staffing level during the year was 3 members of staff plus occasional relief staff, and the costs were some £35,105. The main equipment provision and utility costs have historically been covered by the Council under separate budget headings, however, other equipment costs, cleaning materials and protective clothing costs were some £3,235. The costs associated with purchasing of food provisions for resale in the canteen and vending machines was some £32,500. The total cost associated with the canteen was therefore £70,840, excluding the provision of equipment and utility costs.

Income in total was some £51,857.

Overall therefore the canteen cost the Council some £18983 to run during 2012/13.

During the 2013 one member of the canteen staff has left the Council to take up alternative employment and, following discussions with the Portfolio Holder, in the interests of cutting costs the post has not been refilled. The impact of this has been to limit the service that could be made available, particularly at times when one of the two remaining members of staff is not available and relief cover cannot be provided. During the current financial year up to the end of August 2013 the canteen has run at a loss of some £8,937. Based on current projections the Service expects the canteen to have a deficit of some £21,450 by the end of March 2014.

It is clear from the above that insufficient use is made of the canteen on a daily basis to enable the facility to cover the operating costs. In view of the mixed results from the staff survey, taken in combination with the low usage which is evident from daily till receipts, and in consideration of the projected deficit by the end of the financial year, it is recommended that the canteen facility be permanently closed at the earliest opportunity in order to limit operational losses.

If the Executive agrees to this recommendation, it is considered appropriate to explore options for external providers to be given options to provide a lunchtime sandwich service within the office building providing that this would be at no cost to the authority. Further consideration should also be given to future use of the area currently occupied by the canteen and I would recommend that the kitchen equipment and associated hatch etc. be removed to enable the whole area to be considered for alternative uses. Options for alternative uses should be reviewed by the Smarter Working Accommodation Project Team, which is currently reviewing a variety of options for alternative ways of working within the office accommodation and for office rationalisation. Review by this Project Team will ensure that use of this space is considered in relation to a number of pressures to reduce the overall office accommodation whilst improving the quality of services provided to the public. The Project Team is scheduled to provide a full Business Case by February 2014 following its review of all options in connection with the Council's office accommodation. This review is timely therefore in connection with a decision in relation to the canteen facility, and a decision in respect of the canteen will also inform the work of the Project Team.

C – Implications and Impacts		
1	Finance / Section 151	
2	Legal / Monitoring Officer	
3	Human Resources	Redeployment/redundancy implications for affected staff in the Canteen.
4	Property Services (see notes – separate document)	Included in the report
5	Information and Communications Technology (ICT)	
6	Equality (see notes – separate document)	
7	Anti-poverty and Social (see notes – separate document)	
8	Communication (see notes – separate document)	
9	Consultation (see notes – separate document)	
10	Economic	
11	Environmental (see notes – separate document)	No implications for Council's responsibilities under the Countryside and Rights of Way (CROW) Act, 2000 nor the Natural Environment and Rural Communities(NERC) Act, 2006.
12	Crime and Disorder (see notes – separate document)	
13	Outcome Agreements	

CH - Summary

The main office canteen facility has been operating at a loss for the past 18 months since the service was transferred to an in-house provision. The results of a survey of users and a petition have been considered along with financial information for running the facility. It is clear that insufficient use is made of the canteen on a regular basis to enable the facility to cover operating costs.

Recommendations are made in the report to close the facility and to consider alternative arrangements for the provision of sandwiches at lunchtimes and for alternative use of the area presently occupied by the canteen.

D - Recommendation

I recommend that the Main Office canteen facility be permanently closed at the earliest opportunity, that options be explored for a lunchtime sandwich service to be provided within the building by external caterers at no cost to the Council, and that a review of the best use of the space currently occupied by the canteen is undertaken as part of the Smarter Working Project Team.

Name of author of report:

Mike Barton

Job Title:

Head of Service (Property)

Date:

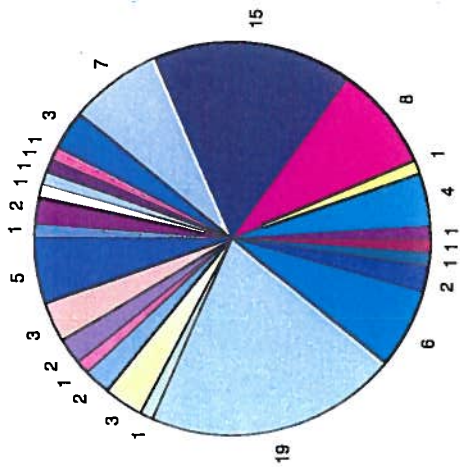
October 2013

Appendices:

Results of Staff and Member survey consultation

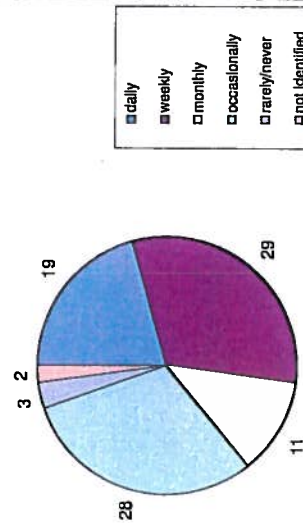
Background papers

Service areas and numbers of respondents



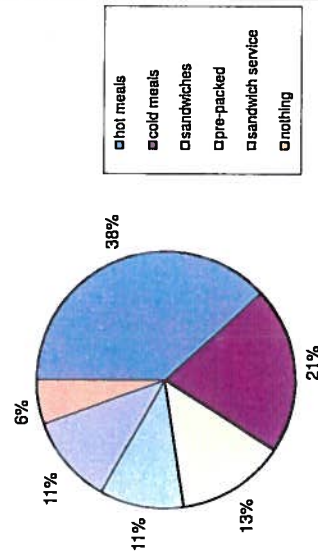
- audit 1
- communities 2
- community safety 1
- culture 1
- deputy chief executive 1
- economic 1
- environmental health 3
- finance 7
- highways 15
- housing 8
- HR 1
- legal 4
- leisure 1
- member support 1
- planning 1
- policy 2
- property 6
- social services 19
- sustainable development 1
- trading standards 3
- translation 2
- transport 1
- waste management 2
- not identified 3
- members 5

Number of respondents showing frequency of use



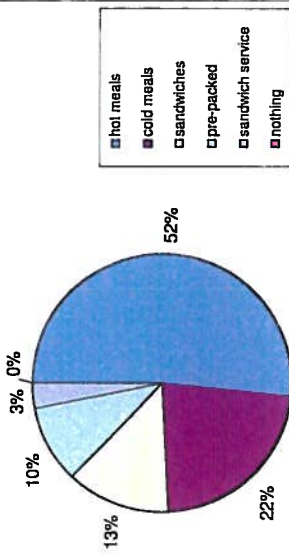
- daily
- weekly
- monthly
- occasionally
- rarely/never
- not identified

overall percentage in favour of various options

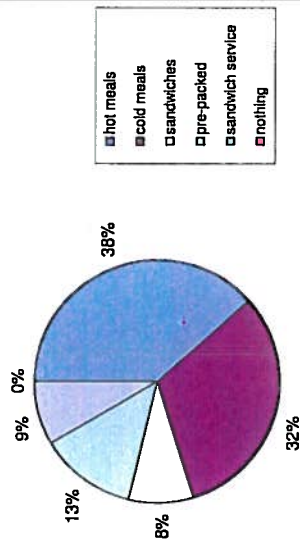


- hot meals
- cold meals
- sandwiches
- pre-packed
- sandwich service
- nothing

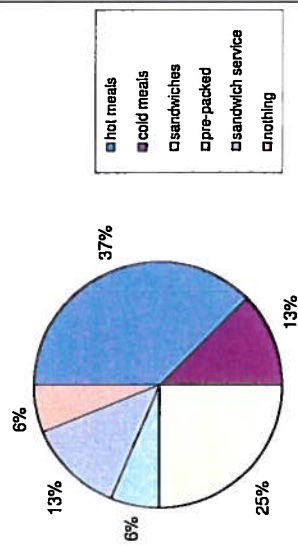
percentage of the 19 respondents visting daily favouring various options



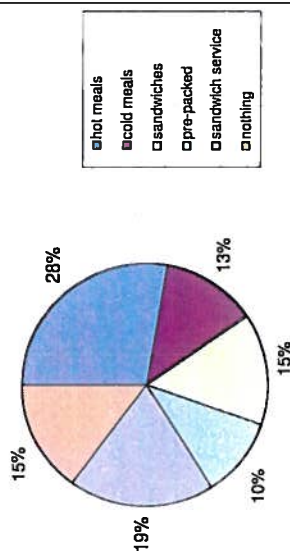
percentage of the 29 respondents visting several times per week favouring various options



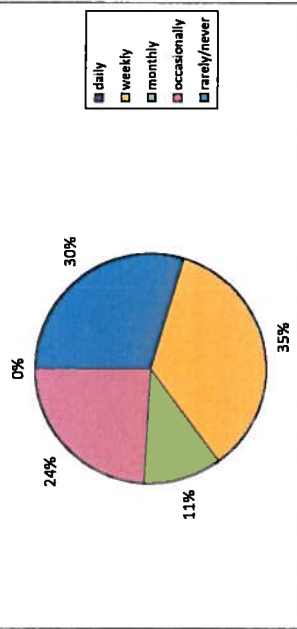
percentage of the 11 respondents visting several times per month favouring various options



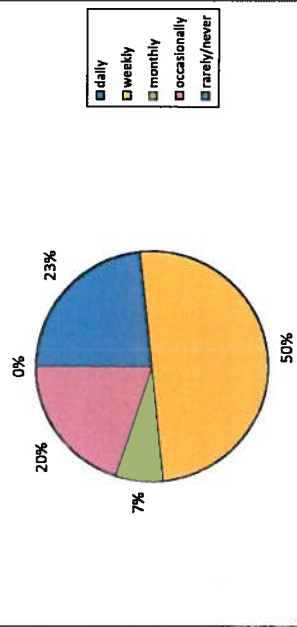
percentage of the 31 respondents visting occasionally or rarely favouring various options



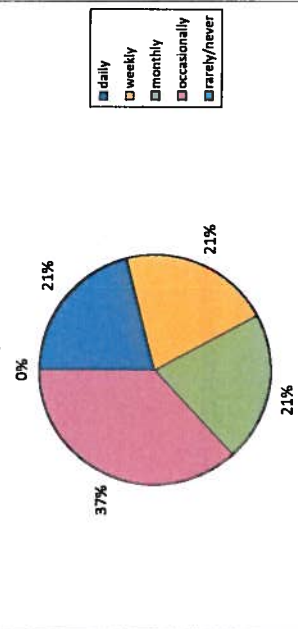
Frequency of use by the 54 respondents favouring hot meal provision



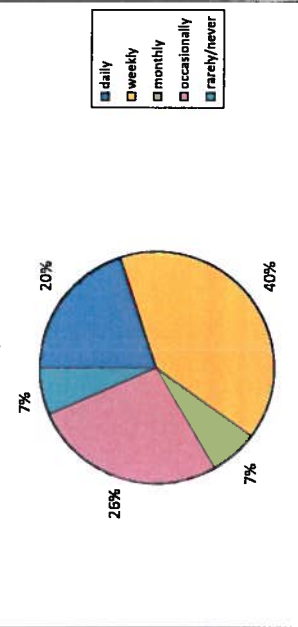
Frequency of use by the 30 respondents favouring cold meal provision



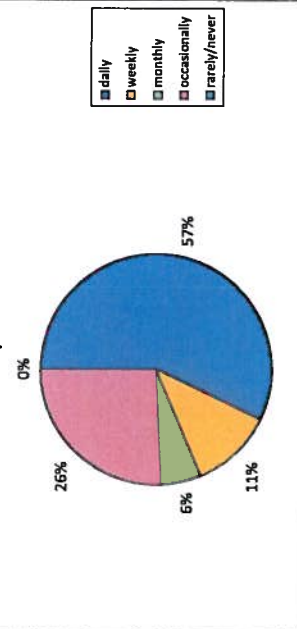
Frequency of use by the 19 respondents favouring sandwiches provision



Frequency of use by the 15 respondents favouring pre-packed provision



Frequency of use by the 17 respondents favouring sandwich service provision



Frequency of use by the 7 respondents favouring no provision

