

Mayor and Councillors
COUNCIL

12 DECEMBER 2013

Meeting Status: **Public**

Purpose of Report: For Decision

PROVISION OF CATERING FOR COUNCIL MEETINGS

PURPOSE OF REPORT

- 1 Council wishes to review the provision of catered lunches for Council meetings, with a view to achieving cost-efficiencies.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

BACKGROUND

- 3 Council as an organisation provides catering for a range of occasions. They include such events as citizenship ceremonies, civic and community awards, as well as meetings with external organisations, some staff training, recognition of long service, and Council meetings, workshops, and hearings.
- 4 The rationale for providing catered lunches to Elected Members is that the majority of meetings of Council, its Standing Committees and some Subcommittees last longer than three hours.
- 5 The table below shows expenditure against the two main cost centres for catering: for Civic events, and all other Council catering. The latter includes catering (food only) for meetings of Council, its Committees and Subcommittees (as applicable), workshops (eg Annual Plan), hearings (eg Long Term Plan/Annual Plan), briefings, and meetings of Te Whakaminenga o Kāpiti.

	2012/13	2013/14 Budget	2013/14 Year to Date
Council Events and Ceremonies			
- total \$	\$80,300	\$92,000	\$18,000
- catering \$	\$14,600	-	\$7,200
Other Catering (including Council meetings)			
- total \$	\$23,600	\$20,000	\$8,200
- Council meetings catering \$	\$16,800 (Crème Cuisine)	-	\$4,700

- 6 In 2012 registered catering firms were invited to submit a proposal for the provision of catered lunches for Council meetings. Four firms submitted proposals, and local firm Crème Cuisine was assessed as the preferred caterer

with a subsequent contract running from July 2012 to July 2013. With a positive performance review (based on Elected Member feedback) the contract was extended to 30 June 2014.

CONSIDERATIONS

Issues

- 7 Should Council decide to change the current arrangements the contract with Crème Cuisine can be terminated with one week's written notice.
- 8 There are three possible options for Council to consider in pursuing savings:
 - a) continue the contract with Crème Cuisine until 30 June 2014 but reduce the number of items on the menu for a reduced cost per person;
 - b) continue the contract with Crème Cuisine but on a 'user pays' basis (with Councillors either – on a monthly basis - paying in advance for lunches, or having the cost deducted from their salaries);
 - c) terminate the contract with Crème Cuisine, with Councillors bringing in, or buying, their own lunches for the meeting/s.
- 9 These options are discussed in more detail below. A table comparing the various cost savings options follows the discussion.
- 10 Council may also decide to maintain the status quo in respect of catered lunches.
- 11 If the Proposed District Plan process goes ahead next year after the findings of the independent review the schedule of hearings would likely be extensive and incur additional costs for catering for the panels to the order of \$2,000, based on three Commissioners attending 49 hearing days over the course of a year.

Cutting costs for certain meetings

- 12 Council is currently paying \$15 per head for the provision of lunches. A saving of approximately \$8,600 per annum could be achieved if catering for the Council and its three Standing Committees was cut completely. The figure of \$8,600 could be achieved on the following scenario, noting that it does not include Subcommittee meetings (most of which are under three hours), or meetings of Te Whakaminenga o Kapiti:
 - Council and its three major Standing Committees each meet on a six-weekly cycle for a total of 32 meetings per year. (This doesn't factor in additional meetings which are required from time to time.)
 - Each meeting provides a catered lunch for 18 people, comprising the Mayor, ten Councillors and four Community Board Chairs plus three others (allowing for invited guests or hungrier elected members) for a total of 576 people fed over the course of a year, for a total cost of \$8,640 (excl GST).

Option (a) Reduce the cost per head

- 13 Currently the catered lunch is costed on the provision of 4-6 items per head (depending on the season and the quality of the menu). Typically lunch would include a sandwich/filled roll, hot savoury, salad and sweet item. If this menu was reduced to provide a filled roll and fruit platter the cost per head could be

reduced to \$9.90 (plus GST), for a total cost (based on the same scenario above of 32 meetings per year) of \$5,703 per annum, thereby saving almost \$3,000 per annum.

Option (b) User pays

- 14 Council could continue with the current caterer on an agreed set menu but the costs of lunch per head could be recovered from Councillors, either through monthly advance payment or deduction from individual salaries. The disadvantage with this scenario is that, while Councillors would be paying their own way there would be extra administrative costs incurred with the recording and processing of payments. However the administration should not be too onerous if the latter method of payment was chosen (ie deduction of costs from salaries) as this deduction could be included on the Remuneration form currently completed on a monthly basis by Elected Members.

Option (c) Self-catering

- 15 Councillors and Community Board members could provide their own lunches. While achieving savings described above these would be offset by the following factors:

- (one-off) costs of providing additional equipment in the Council Chambers kitchen (another microwave, toasted sandwich-maker, kitchen whizz for smoothies). The likely cost of such equipment would be \$500;
- the likelihood that lunch breaks would have to be longer (currently 30 minutes) in order to allow sufficient time for all Elected Members to buy/plate up and eat own lunches;
- lunchtimes can be ideal networking opportunities and these would be disrupted;
- from time to time the Mayor invites visiting delegations or guests to join Councillors for lunch and additional costs would therefore be incurred.

- 16 The savings associated with each option are as follows:

Option	Savings per annum	Disadvantages
Option (a) – reduced menu provided by caterer	\$3,000	Reduced choice
Option (b) User pays (deduction), menu provided by caterer	\$8,600	Cost to the organisation of administering this option (likely to be minimal)
Option (c) – Self-catering by Councillors	\$8,100	One-off equipment costs - \$500 Would necessitate longer lunch breaks and therefore result in extended meetings Disruption to networking

Financial Considerations

- 17 The options discussed above reflect Council's desire to achieve cost savings in the management of meetings.

Legal Considerations

- 18 There are no legal considerations.

Delegation

- 19 Council has not delegated this decision to any of its Standing Committees.

Consultation and Policy Implications

- 20 There are no consultation implications.

Tāngata Whenua Considerations

- 21 There are no tāngata whenua considerations.

Publicity Considerations

- 22 The local media may have an appetite for this decision.

RECOMMENDATIONS

- 23 That Council approves for the period 2014-2016:

- a) A variation of the current contract with Crème Cuisine on a reduced menu basis; OR
- b) The termination of the current contract with Crème Cuisine Ltd for the provision of catered lunches for meetings of Council, to be replaced by:
 - I. Councillors and Community Board Chairs providing their own lunches
OR
 - II. Councillors and Community Board Chairs being provided with catered lunches on a user-pays basis

OR

- b) The continuation of the contract with Crème Cuisine Ltd to 30 June 2014.

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