FOL17/224: Serpentine Kitchen

Catering Concession Contract

Section E

Tender Submissions

(including Form of Tender and Submission Pro Forma)

# Contents

## Form of Tender

## Tender Submissions

## Pro Forma

# Form of Tender

**To The Royal Parks:**

I/we, the undersigned hereby offer to supply the services as defined in the Specification and the Contract at the prices set out in the Concession Offer.

I/we understand that The Royal Parks reserves the right, unless the tenderer stipulates to the contrary in his tender, to accept such portion thereof as The Royal Parks may decide.  The Royal Parks does not bind itself to accept the highest scoring, or any other tender.

**Non-collusive tendering certificate**

I/we certify that this is a bona fide tender, and that we have not fixed or adjusted the amount of the tender by or under or in accordance with any agreement or arrangement with any other person. We also certify that we have not done and we undertake that we will not do at any time before the hour and date specified for the return of this tender any of the following acts:-

1. communicate to a person other than the person calling for those tenders the amount or approximate amount of the proposed tender, except where the disclosure, in confidence, of the approximate amount of the tender was necessary to obtain insurance premium quotations required for the preparation of the tender;
2. enter into any agreement or arrangement with any other person that he shall refrain from tendering or as to the amount of any tender to be submitted; or
3. offer or pay or give or agree to pay or give any sum of money or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other tender or proposed tender for the said work any act or thing of the sort described above.

In this certificate, the word "person" includes any persons and any body unincorporated; and "any agreement or arrangement" includes any such transaction, formal or informal, and whether legally binding or not.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Dated this** |  | **day of** |  | **2017** |

|  |  |
| --- | --- |
| **Signature** |  |
| **In the capacity of (e.g. director, secretary etc.)** |  |
| **(Capitals)** |  |
| **Duly authorised to sign tenders for and on behalf of** |  |
| **Postal address** |  |
|  |  |
|  |  |
| **Telephone no** |  |
| **Fax no** |  |
| **E-mail address:** |  |

## Tender Submissions

Tenderers are required to complete all submissions listed in the table below. All submissions must be marked with the corresponding submission number. Tenderers will be marked down if page limits are exceeded. Generic company information should be submitted as appendices only if considered absolutely necessary.

|  |  |
| --- | --- |
| **Evaluation Criterion 1 (50%)**  The service proposals presented for the Serpentine Kitchen demonstrate clearly how The Royal Parks’ six key attributes for catering will be delivered:   * A high quality food and drink offer * Fast and friendly service * Unique concepts and creative designs * Compelling and well communicated brands * Accessible pricing * Responsible sourcing and operations | **Submission 1 - Summary**  The Pro Forma should be completed to summarise how the tenderers proposals for the Serpentine Kitchen meet The Royal Parks’ vision and six key attributes for catering.  Maximum of 4 A4 sides |
| **Submission 2 - High Quality Food and Beverage Offer/Fast and Friendly Service 15%**  A method statement should be provided to create an outline ‘picture’ of the service concept proposed for Serpentine Kitchen. This should include but not be limited to:   * A description of the overarching values and principles on which the catering service in Serpentine Kitchen will operate * A description of the service style proposed. Visuals may be included to explain the concept fully. * The menu offer across different days parts in summer (August) and winter (December) * A description of where different elements of the menu will be produced * The market position, target audience and anticipated type of use. * Summary of how TRP’s ambitions for the Serpentine Kitchen are achieved through the proposed service and menu concept   Maximum of 4 A4 sides |
| **Submission 3 - Unique Concepts and Creative Designs 15%**  Submission 3 a)  Architectural/Interior design proposals should be submitted to include:   * Layout drawings indicating any physical changes to the building layout and showing the positions of key items of equipment, service counters etc. * Furniture layout drawings showing the number of indoor and outdoor covers * A full description of the proposed improvement works by area indicating the standard and quality of work proposed and how the designs achieve longevity, energy efficiency, labour efficiency and the highest standards of hygiene and health and safety. * Visuals/mood boards to give an understanding of the proposed look and feel for the café * Description of how TRP’s ambitions for the Serpentine Kitchen are achieved through the proposed design * What benefits do the proposed improvement works bring?   Maximum 8 A4 sides  Submission 3 b)  The Pro Forma should be completed to provide an itemised breakdown of capital investment  under the following headings:   * Building Works * M&E Services * Kitchen Equipment * Front of House Equipment (including Service Counters) * Interior Decor * Internal Furniture * External Furniture * Design/Surveying/Project Management Costs * Contingency @ 10% * Specified Miscellaneous Items   The source of the capital funding should be clearly stated.  Submission 3c)  Tenderers should state the anticipated period for completing the improvement works and the suggested timing of those works. If a period of closure is envisaged please state whether a temporary service will be provided and if so what this will compromise.  Maximum 1 A4 side  Submission 3d)  Tenderers should describe the benefits the investment proposals will bring to the Facility and include an investment: sales benefit analysis.  Maximum 2 A4 sides  Since the level of capital investment made by tenderers will affect the commission return, the balance between investment, sales turnover and commission must be considered carefully.  It should be noted that this building is a Grade II\* listed building located within a Grade 1 listed landscape. |

|  |  |
| --- | --- |
|  | **Submission 4 – Compelling and Well Communicated Brands 5%**  Brand proposals should be submitted to include:   * Visuals /mood boards of the brand concept proposed for the Serpentine Kitchen (including name change if recommended) including details of its application across different mediums (uniforms, signage, packaging, marketing materials, menu boards etc.) * Description of how the proposed brand interfaces with and supports The Royal Parks brand * Annual marketing and communications plan that demonstrates how the brand will increase conversion rates and spend per head   Maximum 8 A4 sides |
| **Submission 5 - Accessible Pricing 5%**  Submission 5a)  A full list of the proposed Menus and Tariffs to be charged from 23rd January 2018 to 22nd January 2019 should be set out in this submission. Prices should cover all menu items and should be specific and not “prices from”.  Submission 5b)  A Pricing Strategy should be provided which sets out your approach to pricing for the duration of the Contract. |
| **Submission 6 - Responsible Sourcing and Operations 10%**  The Pro Forma should be completed to demonstrate how the catering operation at Serpentine Kitchen will support The Royal Parks’ sustainability and environmental objectives.  Additionally Tenderers should state whether they have ISO 14,001 and if not, should demonstrate how they will work towards it. |
| **Evaluation Criterion 2 (10%)**  The management and staffing proposals and rates of pay show a commitment to achieving high standards of service and an understanding of operating within an environment where demand fluctuates at short notice. | **Submission 7**  The Pro Forma should be completed to set out the proposed permanent management and staff structure for the contract taking account of any TUPE requirements and highlighting any new positions.  Details should also be provided to show how staffing will be managed, with particular reference to the fluctuations in demand brought about by changes in seasonality and /or weather conditions.  Maximum 2 A4 sides plus Pro Forma |
| **Submission 8**  The Pro Forma should be completed to list the management and staff annual/hourly rates of pay for each position proposed. Other benefits such as bonuses, pensions, travel subsidies, etc. together with details of the terms of payment should also be provided.  Note these rates shall be applied for the first year of the contract and shall be uplifted by at least the annual rate of inflation in the subsequent years of the contract, unless otherwise agreed with The Royal Parks. |
| **Submission 9**  A staffing rota should be provided to show the anticipated staffing levels on a good weather Bank Holiday Monday in August. The daily total hours worked by each member of staff should be clearly shown. |
| **Evaluation Criterion 3 (10%)**  The tenderer has clearly demonstrated the robustness of the sales forecasts and viability of the profit and loss accounts and has provided a commentary which explains the rationale for growth. | **Submission 10**  The Pro Forma should be completed to show projected sales figures for the five (5) year contract.  This should be supported by commentary which explains the rationale for any growth in sales and describes the measures that will be taken to ensure delivery of the sales forecasts.  Where a closure, or part closure, of the Premises is required to undertake the capital investment works in 2017/18, the length of closure and the impact on sales should be clearly identified. |
| **Submission 11**  The Pro Forma should be completed to show a fully itemised Profit and Loss Account for the five (5) year contract. Separate lines should be included on the profit and loss account to show each area of income and expenditure in detail. The final column should show the total income and expenditure for the five year period. A breakdown of the overheads line and start-up costs line should be submitted. |
| **Evaluation Criterion 4 (20%)**  The five year financial return to The Royal Parks (a combination of the total % commission applied to TRP sales forecasts and capital investment) projected against the TRP five year sales forecast. | **Submission 12**  The Pro Forma should be completed to show the financial offer to The Royal Parks for the five (5) year contract. This should be expressed in the following way:   * The level of capital investment offered. * The commission percentage offered by way of payment on sales up to £6,000,000 per annum, in accordance with the sales tranches identified.   Note:  The Minimum Annual Commission Payment has been fixed by TRP and must not be altered by the tenderer.  The TRP sales forecast figures will be used for evaluation purposes and must not be altered by the tenderer  Light equipment, EPOS and computer equipment, office equipment, graphic design, branding materials and signage and mobilisation costs/pre-opening costs should not be included in the capital investment sum.  Please supply any additional information considered necessary to support your offer. |
| **Evaluation Criterion 5 (10%)**  The commission percentage offered to The Royal Parks on sales in excess of £6,000,000 per annum. | **Submission 13**  The Pro Forma should be completed to show the commission percentage offered by way of payment on sales in excess of £6,000,000 per annum. |
| **Additional Information**  This information will not be scored. | **Submission 14**  This should be completed to provide an outline schedule of activities from award of contract to the commencement of full operations, illustrating your approach to the management of the design and installation period and the recruitment, development and planning period for the operational aspects of the contract. Two separate flow charts should be submitted. |
| **Submission 15**  A statement should be submitted outlining any non-material changes to the contract terms and conditions which the tenderer considers necessary and if not negotiable would affect the tender offer. |
| **Submission 16**  A description of how the café will trade between 23rd January 2018 and completion of the improvements works prior to Easter 2018. This should include any variation to the menu offer, service style etc. from those proposed within the tender bid. It should also include details of temporary services if a planned period of closure is envisaged.  Maximum 2 A4 sides |

Tenderers are required to use the Pro Forma below to complete the relevant submissions.

## Pro Forma for Submission 3b) - Capital Expenditure Breakdown

These costs should be itemised and depreciated on the Profit and Loss account.

|  |  |
| --- | --- |
|  | £ |
| Building works |  |
| M&E services |  |
| Kitchen equipment |  |
| Front of house service equipment including service counters |  |
| External furniture |  |
| External landscaping |  |
| Design/surveying/project management costs |  |
| Contingency |  |
| Miscellaneous - please specify by adding rows below |  |
| **TOTAL** |  |

The source of the capital funding should be set out in the table below

|  |
| --- |
| Source of Capital Funding |
|  |

## Note:

Only costs that will be depreciated should be shown as a capital expenditure. These include only those items which, in the event of early contract termination will be retained on the Premises by The Royal Parks with the undepreciated sum repaid to the Concession Holder. For avoidance of doubt this will **exclude** the following:

* Mobilisation/Pre-opening costs including marketing, labour etc.
* Light Equipment
* Office Equipment
* EPOS and computer equipment
* Graphic Design
* Branding Material and Signage

These items should be itemised separately on the profit and loss account as either Concession Holder Start-up Costs or Concession Holder Revenue Costs

## Pro Forma for Submission 6 - Environmental Management

|  |  |
| --- | --- |
| Objective | Action plan for Serpentine Kitchen |
| Reduce greenhouse gas emissions, water and energy consumption |  |
| Create a circular waste economy, by maximising the prevention of waste and promoting the re-use and recycling of waste and resources |  |
| Promote sustainable transport through staff and suppliers (buggies, electric vehicles, bikes, walking etc.) |  |
| Ensure sustainable procurement of goods, services and works |  |
| Promote locally and ethically sourced foods |  |
| Improve the health and wellbeing of both staff and visitors through positives initiatives |  |

|  |
| --- |
| Please state whether your company have ISO 14001. If not please demonstrate how you will work towards it. |
|  |

## Pro Forma for Submission 7 - Permanent Management and Staff Structure

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Department | Job Title | Hours Worked | Total Hours/Day excluding Breaks | Total Hours/  week |
| E.g. Management | General Manager | As required | 8.0 | 40.0 |
| E.g. Management | Administration Manager | 09:00–17:00 | 7.5 | 37.5 |
| E.g. Kitchen | Head Chef | 07:00–15:30 | 8.0 | 40.0 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
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|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **TOTAL** |  |  |  |  |

## Pro Forma for Submission 8 - Management and Staff Rates of Pay

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Position | Hourly Rate  (£) | Annual Rate  (£) | Annual Rate Contracted Hours | Benefits |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**Notes:**

1. These must be the rates paid when the contract commences. It is expected that these rates shall be uplifted by at least the annual rate of inflation in each subsequent year of the agreement.
2. Details of benefits such as bonuses, pensions, travel subsidies etc. should also be provided.

## Pro Forma for Submission 10 - Projected Sales Turnover

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Period | Space 1  (£) | Space 2  (£) | External Kiosks  (£) | Total  (£) |
| 2017/18 (2.5 months only) |  |  |  |  |
| 2018/19 |  |  |  |  |
| 2019/20 |  |  |  |  |
| 2020/21 |  |  |  |  |
| 2021/22 |  |  |  |  |
| 2022/23 (9.5 months only) |  |  |  |  |
| TOTAL |  |  |  |  |

If separate service styles are proposed please amend space 1 and 2 to the description of the space and provide separate turnover projections for each space.

|  |
| --- |
| Where a closure, or part closure, of the Premises is required to undertake the capital investment works in 2017/18, the length of closure and the impact on sales should be described here. |
|  |

## Pro Forma for Submission 11 - Projected Profit & Loss Account

A fully itemised projected profit and loss account should be submitted as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| £ or % of sales | 2017/18  2.5 months | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23  9.5 months | Total |
| Total All Sales £ (A) |  |  |  |  |  |  |  |
| Raw Material Cost £ (B) |  |  |  |  |  |  |  |
| Raw Material Cost % |  |  |  |  |  |  |  |
| Gross Profit £ (A-B) (C) |  |  |  |  |  |  |  |
| Gross Profit % |  |  |  |  |  |  |  |
| Fixed Labour £ (D) |  |  |  |  |  |  |  |
| Variable Labour £ (E) |  |  |  |  |  |  |  |
| Total Labour £ (D+E) (F) |  |  |  |  |  |  |  |
| Labour Cost % |  |  |  |  |  |  |  |
| Overheads £ (G) |  |  |  |  |  |  |  |
| Overheads % |  |  |  |  |  |  |  |
| Depreciation £ H) |  |  |  |  |  |  |  |
| Depreciation % |  |  |  |  |  |  |  |
| Start Up Costs £ (I) |  |  |  |  |  |  |  |
| Start Up Costs % |  |  |  |  |  |  |  |
| Net Profit before Client Commission £ (C-F-G-H-I) (J) |  |  |  |  |  |  |  |
| Net Profit % |  |  |  |  |  |  |  |
| Client Commission (L) |  |  |  |  |  |  |  |
| Client Commission % |  |  |  |  |  |  |  |
| Contractor’s Earnings (Net Profit after Client Commission) (J-L) (M) |  |  |  |  |  |  |  |
| Contractor’s Earnings % |  |  |  |  |  |  |  |

## Fixed and Variable Overheads

The following table should be completed itemising the overheads line **(G)** of the profit and loss account. Any areas where there is no expected expenditure should be left blank. Any additional items should be specified clearly under miscellaneous. Central company overheads such as insurance, accountancy, legal and professional fees, bank charges, central auditing, area/divisional management etc. are assumed as covered within the company earnings and should not therefore be included within the P&L.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Expenditure type | 2017/18  2.5 months | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23  9.5 months | Total |
| Disposables |  |  |  |  |  |  |  |
| Cleaning materials |  |  |  |  |  |  |  |
| Uniforms and laundry |  |  |  |  |  |  |  |
| Travel |  |  |  |  |  |  |  |
| Light equipment replacement |  |  |  |  |  |  |  |
| Equipment maintenance/replacement |  |  |  |  |  |  |  |
| Equipment hire/lease |  |  |  |  |  |  |  |
| Credit card costs |  |  |  |  |  |  |  |
| IT costs |  |  |  |  |  |  |  |
| Security cash collector |  |  |  |  |  |  |  |
| Deep cleaning |  |  |  |  |  |  |  |
| Pest control |  |  |  |  |  |  |  |
| Waste removal |  |  |  |  |  |  |  |
| Marketing |  |  |  |  |  |  |  |
| Postage, telephone, printing & stationery |  |  |  |  |  |  |  |
| Recruitment/training |  |  |  |  |  |  |  |
| Utilities |  |  |  |  |  |  |  |
| Miscellaneous (please itemise) |  |  |  |  |  |  |  |
| **TOTAL** |  |  |  |  |  |  |  |

## Start-up/Mobilisation Costs

The following table should be completed itemising the start-up cost line **(I)** of the profit and loss account. This line may include any items of expenditure which will not be depreciated on the client capital depreciation line such as light equipment, EPOS and computer systems, staff costs associated with mobilisation, initial staff training, brand development, signage and initial marketing etc.

|  |  |
| --- | --- |
| BREAKDOWN OF START-UP COSTS | |
| Item | Cost |
|  | £ |
|  | £ |
|  | £ |
|  | £ |
|  | £ |
|  | £ |
|  | £ |
| **TOTAL** | **£** |

## Pro Forma for Submission 12 – Commission Offer

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2017/18  2.5 months | 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | 2022/23  9.5 months | Total |
| TRP sales forecasts\* |  | 552,206 | 5,145,557 | | 5,274,196 | | 5,406,051 | | 5,541202 | | 5,054,961 | 26,974,173 |
| Minimum Annual Commission Payment (£) |  | 0 | 720,000 | | 735,000 | | 755,000 | | 775,000 | | 705,000 | 3,690,000 |
| Commission offer on sales up to £5,000,000 | % |  |  | |  | |  | |  | |  |  |
| Commission offer on sales between £5,000,001- £5,500,000 | % |  |  | |  | |  | |  | |  |  |
| Commission offer on sales between £5,500,001- £6,000,000 | % |  |  | |  | |  | |  | |  |  |
| Capital Investment | £ |  | |  | |  | |  | |  | |  |
| **TOTAL COMMISSION OFFER** |  |  | |  | |  | |  | |  | | (sum of all yellow cells above) |

\*Sales forecasts have been modelled using an average of the last 4 years sales and estimated outturn for the remaining month of March in the 2016/17 year. We have applied a 2.5% inflation rate year on year.

The TRP sales forecast for the first two and half months of the contract is based on full opening. It is recognised that there will be a period of closure due to the refurbishment. To reflect this no Minimum Annual Commission Payment will be applied for the 2017/18 year.

These are estimates only and there is no guarantee or representation by TRP that this level of sales will be achieved.

Tenderers are required, as part of their tender submissions, to model and provide their own detailed sales forecasts and should not rely on TRP forecasts as a guarantee of income.

## Pro Forma for Submission 13 - Commission Offer On Sales Over £6,000,001

|  |  |
| --- | --- |
|  | Commission Offer |
| Commission offer on sales over £6,000,001 in any one financial year | % |