

## COMMERCIAL PARTNERSHIP OPPORTUNITY

# HOSPITALITY OPERATOR



### THE OLD COACH HOUSE, HILLSBOROUGH PARK, SHEFFIELD

Opportunity issued:	Monday 29 <sup>th</sup> June 2020
Deadline for submitting clarification questions:	12 noon, Monday 13 <sup>th</sup> July 2020
Deadline for Stage 1 (PQQ) submissions:	9am, Friday 24 <sup>th</sup> July 2020
Notification of Stage 1 outcome:	By Friday 31 <sup>st</sup> July 2020
Stage 2 (ITT) process:	From 31 <sup>st</sup> July to 11 <sup>th</sup> September 2020
Selection of preferred partner	By Friday 11 <sup>th</sup> September
Target café opening date	June 2021

Clarification requests should be submitted to [recruitment@ageuksheffield.org.uk](mailto:recruitment@ageuksheffield.org.uk) by 12 noon on Monday 13<sup>th</sup> July. All questions will be answered by Friday 17<sup>th</sup> July.

Proposals should be submitted to [recruitment@ageuksheffield.org.uk](mailto:recruitment@ageuksheffield.org.uk) by 9am, 24<sup>th</sup> July.

## **Introduction**

Age UK Sheffield has been successful in a bid to the National Lottery Heritage Fund to redevelop a disused Grade II listed building in Hillsborough Park, Sheffield, to become a community café. The ancillary Potting Shed building will become a creative “Makers’ Shed” space and the Hillsborough Park Bowling Pavilion will also be operated by Age UK Sheffield. This campus of facilities will host a programme of activities open to the entire community, with a particular focus on ensuring accessibility for older people, people living with dementia and other long-term health conditions.

Construction work on the new facilities is intended to start in autumn 2020, with the aim of opening the Coach House café in summer 2021.

***As part of this project, we are now seeking a café/hospitality partner to whom we would sub-contract the entire operation of the Coach House café.***

## **About Age UK Sheffield**

Age UK Sheffield is a local charity and social enterprise which exists for the benefit of people aged 50 and over in Sheffield. We do that by providing information, advice, representation and services.

We believe our independent living services are unique in Sheffield. We are the only organisation in the city that is totally dedicated to promoting the independence of older people using a holistic, person-centred approach. We believe we have a unique offer to the city in supporting older peoples’ needs, not from the approach of a specific organisation or sector, but as a whole. We seek to understand people's needs and wants to enable them to live fulfilled later lives, and provide the support to maximise their financial, physical and mental wellbeing, and social connectedness.

## **Project overview**

Our Coach House project will:

- Restore the derelict Old Coach House building as a community café;
- Restore the ancillary Potting Shed building as a Makers’ Shed;
- Enable us to take management responsibility for the Hillsborough Park Bowling Pavilion to deliver a programme of enjoyable activities.

We have two main aims for this project:

- To provide us with a beautiful resource in which to deliver dementia-friendly activities and services for older people in Sheffield
- To operate a community cafe as a new income stream which will support the delivery of our charitable work on an ongoing basis.

## About the building

Hillsborough House and its outbuildings (including the Old Coach House) were built in 1779 as a dwelling for Thomas Steade (1728-1793) and his wife Meliscent, who had been living 250 yards to the east in Burrowlee House. The Steades were a family of local landowners whose history went back to at least the 14th century. When built, the house stood in rural countryside well outside the Sheffield boundary. Steade named his new residence in honour of Wills Hill who at the time was known as the Earl of Hillsborough, an eminent politician of the period and a patron of the Steades.

The Coach House was built in a complementary Neo-classical style to Hillsborough House with polite architectural details such as the Diocletian window above the main central entrance with simple pedimented gable above the central projecting bay with half round window. Both the House and Coach House were built as a modest country estate for a respected local family in the late 18th Century. In 1993 an extension to the Coach House was built to the north to house a toilet block. These public toilets are no longer in use.

The Old Coach House sits within the Hillsborough Park Conservation Area, which consists of Hillsborough Park itself, sitting within the original boundary of the 18th Century park and garden attached to Hillsborough Hall, as well as a number of buildings which sit outside the park. It benefits from a parkland setting, which features a fishing lake, a bowling green with pavilion, and a playground. The walled memorial garden is immediately adjacent the Old Coach House.

Our Lottery project provides for a £1 million restoration and renovation of the Old Coach House and the nearby Potting Shed.



## Hospitality opportunity

We are seeking a commercial partner with significant experience in hospitality and catering to operate the Coach House café under a sub-contracting/partnership agreement, and take advantage of other commercial catering opportunities from this site. Subject to negotiation with the preferred bidder, this agreement is likely to be for a ten-year period with a five-year break clause.

Subject to proposals from the preferred bidder, and further negotiation, the terms are likely to be an annual rent, subject to regular review, or a rent plus % of turnover agreement, based on independently audited accounts. It will be for prospective operators to use this tender process to propose terms, which would be the basis for detailed negotiations with our preferred partner. Clearly, we will be seeking to maximise the returns to the charity from the hospitality operation, to support our charitable services, whilst providing the selected operator with the opportunity to develop a profitable business.

### The opportunity

This is an opportunity to develop a hospitality, catering and event business, using the Coach House café as the basis for the operation, but with opportunities to provide commercial catering for events at the Potting Shed and Bowling Pavilion, including conferences, weddings, and parties.

The Coach House café will comprise the following spaces:

- Kitchen area approx. 5.7 x 4.8m (27.36sq m)
- Servery area approx. 4 x 1.5m including counter (6sq m)
- Ground floor seating area approx. 7.5 x 5.5m (41.25sq m), estimated 28-32covers<sup>1</sup>
- Conservatory seating area approx. 6 x 4.8m (28.8sq m), estimated 24 covers
- First floor seating area approx. 9.9 x 5.5m (54.45sq m), estimated 32-36 covers
- Outdoor front courtyard seating area approx. 15 x 25m (375sq m)
- Outdoor rear courtyard seating area 7.5 x 25m (187.5sq m)

An additional dry storage area approx. 3.2 x 2.7m (8.64 sq m) is available to the hospitality operator in the nearby Potting Shed. The commercial terms for the use of this storage area will be the subject of a separate negotiation process.

### Minimum café operating times

It is anticipated that, as a minimum, the Coach House café will be open as follows:

- British Summer Time hours (late-March to late-October): Monday to Saturday, 9.00am to 5.00pm. Sunday 9.00am to 4.00pm.
- Greenwich Mean Time hours (late-October to late-March): Monday to Sunday, 9.00am to 4.00pm.

It is anticipated that the café should be open 7 days a week, 52 weeks per year, with the exception of Christmas Day, Boxing Day and New Year's Day. By negotiation, a longer Christmas/New Year period closedown will be accepted.

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<sup>1</sup> Covers estimates were calculated before the coronavirus outbreak

### Wider potential

Operators will be free to trade for longer hours than the minimum operating times. It is anticipated that all facilities would be available for use from 8.00am to midnight every day, with an alcohol licence.

### Hillsborough Park events

We are liaising with the relevant authorities to ensure we are involved in negotiations with the organisers of Tramlines, Owls in the Park, and other Hillsborough Park events, to understand and, where possible, maximise the trading opportunities for our hospitality operations at these events.

### Operational considerations

Interested parties should be aware of the following operational considerations associated with this opportunity:

- The preferred operator will be required in September/October 2020 to have an input into design and fit-out of the kitchen;
- The preferred operator will also be required to have an input into the selection of fixtures, fittings, decoration, and internal/external customer furniture;
- Proposals will be sought from prospective operators, for negotiation, as to who funds, owns, and replaces the kitchen fit-out, fixtures, fittings, decoration and furniture. **This will be an important aspect of the tender process and subsequent negotiations;**
- The operator will be required to be the principal keyholder for the public toilets within the Coach House building, and a keyholder for the gates to the Walled Garden to the rear of the building, and will have responsibility for opening and closing these facilities to coincide with café opening times;
- Motor vehicles in the park will be kept to a minimum. The operator will be provided with two parking spaces in the bottom car park at Hillsborough Park. A delivery area is available outside the Coach House café but deliveries should be outside of trading hours where possible;
- Vehicle access to the park will be controlled by a parking barrier. **The operator will have responsibility for controlling this parking barrier to admit deliveries and refuse collection (including for the Library), and customer drop-offs.** The preferred operator will be required in autumn 2020 to have an input into the form of parking barrier selected;
- Availability of the alcohol licence is subject to application to the Local Authority;
- **Please note we are opting to tax the Coach House building for VAT purposes. VAT will be applicable on payments made by the sub-contractor to Age UK Sheffield.**

### Branding agreement and relationship with Age UK Sheffield

The Coach House café will be the most visible Age UK Sheffield operation in the city but we will not directly operate it. It will be very important to us to agree on the trading name of the café, how it is marketed, and the level of involvement of Age UK Sheffield within this branding.

The quality of service delivery, brand presentation, and customer experience are also very important to us. To protect our reputation, we will expect the operator to maintain and evidence high levels of food hygiene and customer service standards. We will carry out periodic quality audits, inspecting operational aspects notified to the operator in advance, including health and safety, and customer complaints.

We will always seek to maintain a productive and professional working relationship between Age UK Sheffield and the operator, to maximise the success of this partnership for both parties. In selecting our preferred operator, and running these facilities successfully, we will seek to negotiate in good faith a transparent and mutually agreeable approach to the following issues:

- Maintaining a good relationship – regular meetings will be held between senior representatives of Age UK Sheffield and the operator to address and resolve operating issues. These are likely to be monthly to start with and may move to quarterly;
- Building cleaning and maintenance – it is anticipated that Age UK Sheffield will be responsible for the external maintenance of the building and grounds, and the operator will be responsible for internal cleaning and maintenance, including the public toilets. Negotiations will take place with the preferred operator to ensure clarity of responsibilities on each party;
- Marketing activities – both parties will agree a mutually-beneficial approach to marketing (including social media marketing) to drive the overall success of these facilities whilst understanding the costs of marketing, and minimising reputational risks to either party;
- Customer database, membership and marketing – we intend that the operator will use Electronic Point of Sale equipment and Customer Relationship Management software provided by Age UK Sheffield to maximise our ability to cross-sell services and recruit future charity volunteers and fundraisers. Our intention is that as many café customers as possible are incentivised to become Age UK Sheffield members through an appropriate level of membership discounts in pricing selected items, and the ability to pay for café goods using an Age UK Sheffield membership card. This would have reciprocal benefits for the operator in that we may send direct marketing to our members who live throughout the city, to incentivise them to visit the café.

#### Additional information

We have placed a range of documents (including architect's designs, CAD images, and public survey information) in a Dropbox folder you can access by [clicking this link](#).

We hope building work will begin in autumn 2020 in anticipation of a summer 2021 opening but this timeline is subject to the realities of building construction.

## **Instructions to bidders**

The selection of our hospitality operator will take place in three stages:

### Stage 1 – Pre-Qualification Questionnaire

This initial pre-qualification stage will require prospective operators to complete the pre-qualification questionnaire on the following pages. **Pages 8-12 inclusive must be returned to us by 9am on Friday 24<sup>th</sup> July.**

The pre-qualification questionnaire (PQQ) seeks to understand:

- The financial status and security of prospective operators;
- Commitment to Age UK Sheffield quality requirements;
- Headline-level estimates of anticipated operating performance at the Coach House café;
- General overview of the catering and hospitality offer you would anticipate providing at the Coach House café.

Prospective operators will be notified if they have passed through to the Stage 2 (Invitation to Tender – ITT) stage by Friday 31<sup>st</sup> July.

### Stage 2 – Invitation To Tender

The ITT stage will commence on Friday 31<sup>st</sup> July to operators who passed through Stage 1, and will require more detailed information, including the following:

- Confirmation of financial status;
- Detailed five-year business plan, including estimated income levels, number of customers, average spend, breakdown of costs;
- Detailed understanding of your proposed operating and staffing model;
- Detailed understanding of your customer offer;
- Detailed consideration of how a successful relationship with Age UK Sheffield would work.

It is anticipated that Stage 2 will end by Friday 11<sup>th</sup> September and, at that point, a preferred operator will be selected.

### Stage 3

From Monday 14<sup>th</sup> September, final negotiations will take place with the preferred operator, leading to the signing of the legal agreement.

The preferred operator will be required in September and October to contribute to developing the specification for the internal building, fit-out, fixtures, fittings, decoration, and internal/external furniture.

We are hoping that the café will be open in June 2021.

## Still interested? What you need to do now

1. If you have any clarification questions, contact [recruitment@ageuksheffield.org.uk](mailto:recruitment@ageuksheffield.org.uk) by 12 noon on Monday 13<sup>th</sup> July. All questions will be answered by Friday 17<sup>th</sup> July.
2. Complete the pre-qualification questionnaire below and return it (pages 8-12 inclusive) by 9am on Friday 24<sup>th</sup> July to [recruitment@ageuksheffield.org.uk](mailto:recruitment@ageuksheffield.org.uk).

## Pre-qualification questionnaire

Please complete all the blank boxes in pages 8-12. Do not leave any boxes blank. If a section is not applicable or relevant to you, type "N/A" in the box.

### Company information

This section gives us initial information about your company and provides us with the opportunity to carry out basic due diligence checks.

Question	Your response
Full name of the operating company submitting this information	
The company's registered address	
The company's website address (if applicable)	
Trading status (select one): a) Public limited company b) Limited company c) Limited liability partnership d) Other partnership e) Sole trader f) Third sector g) Other (please specify your trading status)	
Company registration number (if applicable)	
Date of registration in country of origin	
Charity registration number (if applicable)	
Registered VAT number	



### Economic and financial standing

This section will also help us to carry out due diligence checks and seek further information from you if needed.

Are you able to provide a copy of your audited accounts for the last two years, if requested?	
If no, can you provide <b>one</b> of the following:  (a) A statement of the turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading for this organisation.  (b) A statement of the cash flow forecast for the current year and a bank letter outlining the current cash and credit position.  (c) Alternative means of demonstrating financial status if any of the above are not available (e.g. forecast of turnover for the current year and a statement of funding provided by the owners and/or the bank, charity accruals accounts or an alternative means of demonstrating financial status).	
Does your company have £50,000 of free reserves available as at 30 <sup>th</sup> June 2020?  If not, please briefly explain your current financial position.	

### Relevant experience

This section helps us to understand your experience in this field . Please list between 1 and 3 relevant examples of previous catering/hospitality establishments you have operated:

	<b>Establishment 1</b>	<b>Establishment 2</b>	<b>Establishment 3</b>
Name of establishment			
Your role in the establishment			
Month/year your involvement started			
Month/year your involvement ended (if applicable)			
Why your involvement ended			
Annual turnover (from audited accounts where possible)			

### Self-certification

Please self-certify whether you have, or can commit to, ensuring the following prior to the opening of the café. Evidence will be sought from operators successful at progressing to Stage 2.

<b>Item</b>	<b>Your response (Yes/No)</b>
Employer's liability insurance (minimum £5 million)	
Public liability insurance ( minimum £5 million)	
Written policies to cover the following issues:	
Customer service and complaints	
Staff recruitment	
Food hygiene	
Health and safety	
First aid	
Equality and diversity	

### Coach House café financial performance

This section helps us to understand your view of the potential scale of operation and benefits to us from this opportunity.

With the information available to you about the Coach House (including location, size and potential commercial opportunities) and using your own experience, please provide your high-level forecast for the annual turnover of the site. Alongside this please provide your estimate as to the level of rent (or rent plus turnover) which you see as appropriate for a mutually beneficial commercial agreement. If you are successful in progressing to Stage 2, a full business plan will be needed at that stage.

	Jan-Dec 2022 (lower estimate)	Jan-Dec 2022 (upper estimate)	Jan-Dec 2026 (lower estimate)	Jan-Dec 2026 (upper estimate)
Total Coach House café turnover (including wedding receptions, evening events and outside catering)				
Rent or total of rent plus turnover income you anticipate you may pay to				

Age UK Sheffield (excluding VAT)				
Number of café covers per week				

**Your vision for the Coach House café**

In no more than 500 words, please outline your vision for the customer and employee experience you will provide at the Coach House café.

### Contact details and declaration

I declare that to the best of my knowledge the answers submitted and information contained in this document are correct and accurate.

I declare that, upon request and without delay, I will provide the certificates or documentary evidence referred to in this document.

I understand that the information will be used in the selection process to assess my organisation's suitability to be invited to participate further in this procurement.

I understand this submission may be rejected in its entirety if there is a failure to answer all the relevant questions fully, or if false/misleading information or content is provided in any section.

I am aware of the consequences of serious misrepresentation.

Contact name	
Name of company	
Role in company	
Phone number	
E-mail address	
Postal address	
Signature (electronic is acceptable)	
Date	

Please return this PQQ to [recruitment@ageuksheffield.org.uk](mailto:recruitment@ageuksheffield.org.uk) by 9am on Friday 24<sup>th</sup> July.