

Freedom of Information requests

2013

Reference number: 13-011

Reference no.: 13-011

9 July 2013

Dear,

REQUEST FOR INFORMATION – *Information related to the removal of asbestos within Amgueddfa Cymru since 2011 and the recent catering contract including the amount of Welsh produce being provided under that contract.*

Thank you for your request for information. As Head of Knowledge & Information Management for Amgueddfa Cymru - National Museum Wales, I am responsible for responding to your request for information.

I refer to your initial email of 11th June 2013 which was later clarified on the 20th June 2013, in which you asked for the following information:

- 1.1 *Has any work to deal with the removal of asbestos been carried out within the National Museums of Wales since April 2011? Where the work was carried out? What was the cost and, if work was carried out, what funding stream was used to meet the costs?*
- 1.2 *Does the museum need to carry out any further work in relation to the presence of asbestos and, if so, where will that take place and what are the estimated costs?*
- 2.1 *In relation to the last catering contract awarded by the National Museums of Wales, who was the successful tenderer?*
- 2.2 *How many tenders were shortlisted for interview and were all shortlisted tenders invited to provide Welsh produce as part of their bid. If not, why not?*

2.3 *What percentage of Welsh produce (as part of the total) has the successful tender been asked to provide.*

In your email on the 20th June 2013, you requested supporting information and any correspondence which explained the decisions taken by the Museum.

Response

In responding to your request for information, I will be referring to each element of your request separately.

Under the Freedom of Information Act 2000, the information you have requested is exempt from disclosure as the information relates to environmental data (section 30 – Environmental Information) and will now be considered under the Environmental Information Regulations 2004 (EIRs).

I have considered your first request in accordance with the EIRs, as the information you have requested, in my view, falls within the definition of “environmental information” as stated under the Regulation. Amgueddfa Cymru has the following obligation under the EIRs:

- *To confirm whether the Museum holds the information requested, and*
- *To provide that information unless it is subject to any exceptions which may apply.*

1.1 *Has any work to deal with the removal of asbestos been carried out within the National Museums of Wales since April 2011? Where the work was carried out? What was the cost and, if work was carried out, what funding stream was used to meet the costs?*

A search was undertaken to identify any relevant information relating to your request and the following information was identified:

Licensed work undertaken

July 2011 – Asbestos was removed from Ysubor Fawr at the cost of £350 which was funded from the Capital budget. This work was undertaken by a licensed contractor.

November 2011 – Boarding containing asbestos was removed from window seats on the ground and first floor of St Fagans Castle main building at a cost of £1,975 which was funded from the Capital budget. This work was undertaken by a licensed contractor.

December 2011 – Asbestos lagging was removed from three areas in the roof space at St Fagans Castle. The work was completed in February 2012. The roof spaces were in Maes y Coed, Bryn Castell in the Castle's Courtyard and the attic of the main house. Some other items were also removed which included: storage heaters and a WC cistern which was suspected to contain asbestos from Maes y Coed and Bryn Castell. Insulation to the main riser on the second floor of the Castle was tested and found to contain asbestos. Cost of removal was £38,627 from the Capital budget. This work was undertaken by a licensed contractor.

January 2012 – The removal and consolidation of asbestos lagging on the 0-6-0 locomotive on display at the National Coal Mining Museum, Big Pit which costs £14,555 and was funded from the Capital budget. This work was undertaken by a licensed contractor.

March 2012 – Two storage heaters located in Fron Haul at the National Slate Museum in Llanberis were removed at a cost of £655 which was funded from the Capital budget. This work was undertaken by a licensed contractor.

May 2012 – Pipe gaskets inside the Gorse Mill and corrugated sheeting from behind the Elephant Shed at Garreg Fawr (both outside areas visited by the public) were removed. The Conservation Department's asbestos bin was also emptied at St Fagans. The total cost was £550 and was funded from the Historic Buildings Unit and Conversation Department. This work was undertaken by a licensed contractor.

August 2012 – Removal of asbestos Compressed Asbestos Fiber (CAF) gaskets from the “Victory” locomotive on loan to the Gwili Railway, Carmarthen, the total cost was £9,385 and funded from the contingency budget. This work was undertaken by a licensed contractor.

February 2013 – Removal of asbestos brake shoes from the Smith Rodley excavator which was on display at the National Slate Museum, Llanberis. The cost was £2,500 and funded from the contingency budget. This work was undertaken by a licensed contractor.

April 2013 – The Mineral Collection located at the National Museum Cardiff holds approximately 300 asbestiform minerals. It was agreed that these specimens required additional protective packaging. In the course of scoping this work, asbestos fibers (not from the mineral collection) were identified and as such, it was decided the entire collection storage room would require decontamination. The agreed work included re-packing the 300 asbestiform minerals and a full decontamination of the Mineral Store. The project to date has cost £35,555 and funded through the contingency budget. Tenders for the remaining work will be obtained within the next few months and is estimated to cost £40,000. This work was undertaken by a licensed contractor.

April 2013 – Asbestos remediation works undertaken in the Agricultural Gallery at a cost of £545. This work was undertaken by a licensed contractor.

Non-licensed work undertaken by in-house trained staff

The following work was completed by trained in-house staff. Costs were funded through the Conservation budget which covered the disposal of asbestos waste, replacement of Personal Protective Equipment (PPE) and Respiratory Protective Equipment (RPE), 6 month testing and decontamination of H class vacuum cleaner, annual face fit testing for RPE and annual refresh training for non-licensed staff who undertake activities relating to asbestos.

April 2011 – Safe packing of asbestos gaskets and contaminated objects within collections at the Collections Centre, Nantgarw.

May 2011 – Removal of asbestos rope from a tractor on display in the Agricultural Gallery, National History Museum, St Fagans.

June 2011 – Safe packing of asbestos gaskets found in storage and the removal of a CAF gasket from a turbine at the Collections Centre, Nantgarw.

August 2011- Consolidation of damaged CAF gasket edge and rope on the Pen y Darren locomotive with high temperature paint which is located at the National Waterfront Museum, Swansea.

May 2012 – Safe packing of a contaminated vacuum cleaner identified as being used in a case containing a previously unknown asbestiform mineral located within the Geology Department, National Museum Wales, Cardiff.

July 2012 – Removal of asbestos rope joint from the exhaust of the Chevrolet mobile shop at the Collections Centre, Nantgarw.

July 2012 – Safe packing of an asbestos rope clad copper pipe found in storage at the Collections Centre, Cardiff.

July 2012 – Removal of a CAF gasket from the Pen y Darren locomotive on display at the National Waterfront Museum, Swansea.

September 2012 – Removal of CAF gasket from a lighthouse gas supply pipe and an engine part found on the same pallet in storage at the Collections Centre, Nantgarw.

September 2012 – Safe packing of new, unused asbestos gaskets found in storage at the Collections Centre, Nantgarw.

September 2012 – Safe packing of a roll of asbestos rope found in storage at the Collections Centre, Nantgarw.

October 2012 – Removal of CAF gaskets from the Bellis and Morecombe engine at the Collections Centre, Nantgarw.

April 2013 – Removal of a CAF gasket from a boiler on display in the repair shed and consolidation of asbestos material on an air compressor at the National Slate Museum, Llanberis.

May 2013 – Removal of CAF gaskets from an oil engine on display in the Agricultural Gallery, National History Museum, St Fagans.

- 1.2** *Does the museum need to carry out any further work in relation to the presence of asbestos and, if so, where will that take place and what are the estimated costs?*

Work to be undertaken

April 2013 – Mineral Store decontamination and re-packing, further work to be undertaken and £40,000 has been allocated.

June 2013 – Asbestos located within a caravan (part of the Industrial Collection) located at the Collection Centre in Nantgarw. Costs for removal are now being assessed.

January 2014 - When the Castle's main building is closed for conservation work, asbestos sheeting located in the in the ceiling of the porch entrance will be removed.

This work was originally planned for January 2013 but the work was cancelled due to heavy snow.

The sheeting is out of reach of the public, approximately 4 meters high, painted and in good condition. It does not currently pose a risk. Once this is removed, there will be no known asbestos located within the historic buildings at St Fagans. Estimated cost to remove is £450 and will be funded from the Historic Buildings Unit's budget.

Asbestos Register items within the collections

Amgueddfa Cymru maintains an Asbestos Register for any items within the Museum's collection which are suspected to contain asbestos. This Register is compiled on the basis that something is presumed to contain asbestos but we only confirm this as and when something is required for display, loan or research. The reason for this is that the costs of testing every item presumed to contain asbestos would be prohibited as there are in excess of 2,000 items on the Asbestos Registers.

The annual cost associated with managing asbestos held within the collections is detailed below:

<i>Training</i>	<i>£800 per year</i>
<i>H Class Vacuum</i>	<i>£500 purchase cost</i>
<i>H Class Vacuum</i>	<i>£125 for testing and documentation carried out every 6 months</i>
<i>H Class Vacuum</i>	<i>£100 - £200 consumables per year</i>
<i>PPE / RPE</i>	<i>£10 per person per job (disposal of as waste)</i>
<i>Waste disposal</i>	<i>£30 per bag</i>

Appeal Procedure for EIRs

If you are not satisfied with the handling of your request, you have the right to ask for an internal review. Under Regulation 11(2) of the EIRs, a request for an internal review should be submitted no later than 40 working days after the date of this letter and should be addressed to the Director of Collections and Research at the following address:

Mr John Williams-Davies
Director of Collections and Research
Amgueddfa Cymru – National Museum Wales
Cathays Park
Cardiff
CF10 3NP

If you do request an internal review and are not content with its outcome, you have the right to apply directly to the Information Commissioner's Office at:

Information Commissioner's Office – Wales
2nd Floor
Churchill House
Churchill Way
Cardiff
CF10 2HH

The following information was considered under the Freedom of Information Act 2000.

2.1 In relation to the last catering contract awarded by the National Museums of Wales, who was the successful tenderer?

The contract was awarded to Elior UK plc.

2.2 How many tenders were shortlisted for interview and were all shortlisted tenders invited to provide Welsh produce as part of their bid. If not, why not?

Appendix 1 – The attached Invitation to Tender documentation defines the primary, secondary and interview criteria.

Appendix 2 – The final tender scoring sheet evaluating the 3 companies that were interviewed, this document also summarises the 3 other companies who were invited to tender but were not interviewed.

Appendix 3 – The scoring sheet showing the areas explored during the interviews with the 3 companies.

Appendix 4 – A summary of the initial scores given by the panel, following the interview but before a final score was awarded. During the post interview process a number of queries were taken up with the tenderers before the final scoring sheet (Appendix 2) was finalised.

Appendix 5 – Following the agreement to award the tender to Elior there were a number of issues that were taken up with them to clarify their offer so that the contract could be negotiated, this document notes the issues raised with them.

Appendix 6 – This is the section of the contract with Elior that defines the expectation of use of Welsh Products / Suppliers.

2.3 *What percentage of Welsh produce (as part of the total) has the successful tender been asked to provide.*

*As noted in the contract, there is a base target of a minimum of 22% Welsh produce and 75% Welsh supplied/distributed rising to 24% and 80% respectively over five years which will be reviewed annually.
(Appendix 6)*

Your request was considered according to the principles set out in the National Assembly's Code of Practice on Public Access to Information (third edition). The Code is published on the Internet at www.information.wales.gov.uk.

If you are unhappy with the service you have received in relation to your request and wish to make a complaint or request a review of our decision, you should write to the Director of Collections and Research at the following address:

Mr John Williams-Davies
Director of Collections and Research
Amgueddfa Cymru – National Museum Wales
Cathays Park
Cardiff
CF10 3NP

When dealing with any concerns, we will follow the principles of the National Museum of Wales's Code of Practice on Complaints, which is available on our website at www.museumwales.ac.uk/en/45/.

Internal review requests should be submitted within two months of the date of receipt of the response to your original letter.

You also have the right to complain to the Information Commissioner's Office (ICO) if you are not content with the outcome of your complaint or review. Generally, the ICO will not make a decision unless you have exhausted the complaints procedure provided by the Museum.

The Information Commissioner can be contacted at:

Information Commissioner's Office – Wales
2nd Floor
Churchill House
Churchill Way
Cardiff
CF10 2HH

If you have any difficulties accessing the attached documents, please feel free to contact via my email address.

Yours sincerely,

Head of Knowledge & Information Management

Amgueddfa Cymru – National Museum Wales
Parc Cathays, Caerdydd CF10 3NP/Cathays Park, Cardiff CF10 3NP
Ffôn/Tel (029) 2039 7951 Ffacs/Fax (029) 2057 3321
E-bost: post@amgueddfacymru.ac.uk/E-mail: post@museumwales.ac.uk

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Llywydd/President Elisabeth Elias MA DL
Trysorydd/Treasurer J. Peter W. Morgan M.Sc FCS Cyfarwyddwr Cyffredinol/Director General David Anderson
Rhif elusen / Charity registration number: 525774
Rhif TAW / VAT registration number: GB 783 4541 10

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Appendix 1

**Amgueddfa Cymru — National
Museum Wales**

INVITATION TO TENDER (ITT)

***National History Museum St Fagans
National Waterfront Museum, Swansea
National Museum Cardiff
Catering Contracts***

INTRODUCTION

Amgueddfa Cymru-National National Museum Wales (AC-NMW) currently operates eight sites across Wales.

The Museum sites are currently:

- 1 National Museum Cardiff
- 2 St Fagans National History Museum
- 3 National Slate Museum, Llanberis
- 4 National Roman Legion Museum, Caerleon
- 5 National Wool Museum, Drefach Felindre
- 6 The Collections Centre, Nantgarw
- 7 Bit Pit National Coal Museum, Blaenafon
- 8 National Waterfront Museum Swansea

Further information about AC-NMW is available from our web site in Welsh at

www.amgueddfacymru.ac.uk and in English at www.museumwales.ac.uk

You are requested to tender for the following catering operations, which are offered as one contract:

**National History Museum St Fagans
Public and venue hire catering**

**National Waterfront Museum Swansea
Public and venue hire catering**

**National Museum Cardiff
Public and venue hire catering**

The contracts are currently held by Eilor UK Ltd and T.U.P.E legislation is applicable to their catering staff.

Introduction

This is an exciting opportunity to tender for the catering operations at Amgueddfa Cymru-National Museum Wales three largest sites. Our historic and unique Welsh museums attract over 1.5million visitors annually and are popular corporate and wedding venues. The catering contract is managed by NMGW Enterprises Ltd the Museum's wholly owned commercial trading company; a partnership approach is taken towards contract management with an emphasis on using the expertise of the caterer to develop and grow the business.

During the past 5-years there has been significant investment in catering and corporate entertaining facilities funded by both the Museum and the caterer. There has also been a focus on developing the quality and brand identity of the public food offer with an emphasis on empathising with our collections, historic buildings and Welsh culture and heritage. Whilst good progress has been made there is still significant scope to exceed our visitors' expectations in this area. Details about our different sites, their visitor numbers, catering outlets and turnover are shown in appendix 1.

NMGW Enterprises Catering Tender 2012

We continue to enjoy an excellent reputation amongst corporate clients for our special venues and excellent catering. With a good working relationship between the catering team and the Enterprises venue hire staff we have seen bookings increase year on year. A particular area of growth has been from wedding receptions driven by wedding fairs organised by the caterer, this is a key area for us going forward. More detailed information about our venue hire business is given in appendices 1 – 4.

The contract period will include the potential multi million pound redevelopment of the iconic National History Museum at St Fagans, the go ahead of the project will be confirmed in the summer of 2012, with works commencing in earnest in 2013. The redevelopment project will see the expansion and improvement of catering facilities at the site to support the anticipated increase in visitor numbers. More details about this project are given in appendix 5.

Each tender proposal will be assessed in the following way:

Primary criteria – there is one primary criteria and this will be used to determine which tenders to shortlist.

Secondary criteria – shortlisted tenders will be scored against the secondary criteria to determine which caterers to invite for interview.

Interview criteria – those invited for interview will be scored against the weighted interview criteria

The tender will be awarded based on the combined results of assessment against the primary, secondary and interview criteria plus final negotiation of terms.

Primary criteria

1. Give details of your financial contribution based on a 10-year contract (subject to an annual performance review) with a break clause to be agreed. The redevelopment of St Fagans will be confirmed after the tender has been awarded, therefore we require you to provide two financial proposals for St Fagans, one which reflects the impact of the redevelopment project and one which assumes "business as usual" over the life of the contract. *(to allow us to make fair comparisons with other operators this must be submitted in the same format as the example financial analysis form shown as appendix 6)*

Capital investment - a mandatory capital investment of at least £750K will be required during the year April 2014 to March 2015 to support the catering element of the St Fagans redevelopment works, contractors may also wish to make capital investment available for the ongoing development and improvement of the catering facilities at NMC & NWMS.

Secondary criteria

1. Your experience of working with a bi-lingual organisation and how you will support the Museum's policy of treating both languages (Welsh and English) equally. 10%

NMGW Enterprises Catering Tender 2012

2. Give an example your proposed management & support structure for our contracts, this should reflect local, regional and national management levels. Illustrate how this management structure could be used to support and develop the existing museum management of our three "in-house" run catering operations at our smaller sites (National Wool Museum, National Slate Museum and Big Pit). 25%
3. Give examples of your pricing, quality and value equation and in particular how you will offer value for money to our target family audience. 15%
4. Give examples of how all the aspects of Health and Safety will be met plus all Hygiene Regulations associated with the integrity of the food supply chain. 20%
5. Give examples of how you will recruit, train and maintain the highest standards of customer service and staff employment. 15%
6. Give examples of how you will work in partnership with the Museum and its staff both on day to day operations and longer term strategic development of the businesses. 20%

Interview criteria

1. How you will develop and improve the public catering offer at each site in empathy with the museum, its collections and our welsh culture and heritage whilst ensuring it offers an enjoyable experience which enhances the museum visit. We are particularly interested to hear about your ideas for the public offer at St Fagans upon completion of the re-development works. 25%
2. How you will develop and improve our corporate catering offer to include quality, value for money, innovation and reputation, thereby giving us an edge over our competitors and clients a "wow" factor. We are interested to understand how your suggestions and ideas can be extended to our significant internal catering requirements for Museum meetings, functions and gatherings. 25%
3. What products you will offer which differentiate you from the competition, how and from where you will source them. 15%
4. How you will market your offer and establish branding of your product range, bearing in mind that it will be available in a Welsh cultural environment. We are particularly interested to hear how "our catering reach" could be extended to non-visitors, i.e. creating a catering experience which is attractive in its own right as a destination for the public. 25%
5. How sales, costs, profitability will be openly shown and discussed with Enterprises. 10%

NMGW Enterprises Catering Tender 2012

The work associated with this tender is to be completed by: Monday 5th March 2012 and the new contract would be effective from the 1st October 2012. The proposed timetable for the full tender process is shown below.

Tender timetable

Tender document issued:	Week commencing 30 th January 2012
Deadline for the return of tenders	Noon on Monday 5 th March 2012
Tender interviews	Week commencing 26 th March 2012
Recommendation regarding the awarding of the contract to be made to the Enterprise Board	Wednesday 10 th May 2012
Notification to successful caterer	(provisional date) Week commencing 14 th May 2012
New contract starts	Monday 1 st October 2012

NMGW Enterprises Catering Tender 2012

TENDER RESPONSE - STANDARD TERMS AND CONDITIONS

Suppliers responding to an invitation to tender will be assumed to have accepted the following conditions:

ASSESSMENT

Tenders will be assessed on a value for money basis but NMW is not obliged to accept the lowest or any tender at its absolute discretion and will not enter into any communication regarding its decision

ACCEPTANCE

NMW reserves the right to accept part or all of a tender and for this reason the supply of equipment, labour and additional services should be kept separate as requested in the summary pricing table

INFORMATION

NMW reserves the right to inform all tenderers of additional information supplied in relation to any question raised

DOCUMENT STATUS

This document does not constitute a contract

CONFIDENTIALITY

This document should be treated in confidence and used only for the purposes of submitting a response to the tender

COSTS

The cost of responding to this tender is entirely the responsibility of the tenderer and apart from providing NMW staff to answer queries and accompany site surveys NMW will accept no further costs

NMGW Enterprises Catering Tender 2012

FREEDOM OF INFORMATION

The Freedom of Information Act 2000 applies to all the activities of NMW.

As a supplier/tenderer/partner/customer/agency providing services to NMW, you should be aware of NMW's obligations and its responsibilities under the Freedom of Information Act 2000 to provide on request access to recorded information held by it. One of the consequences of those new statutory responsibilities is that information which NMW holds about your organisation may be subject to disclosure, in response to a request, unless NMW decides that one of the various statutory exemptions applies.

In certain circumstances, and in accordance with the Code of Practice issued under section 45 of the Act, NMW may consider it appropriate to ask you for your views as to the release of any information before NMW makes its decision as to how to respond to a request. In dealing with requests for information under the Act, NMW has to comply with a strict timetable and it would therefore expect a timely response to any such consultation within five working days.

If, at any stage of the contracting process, you provide any information to NMW in the expectation that it will be held in confidence, then you must make it clear in your documentation as to the information to which you consider a duty of confidentiality applies. The use of blanket protective markings such as "commercial in confidence" will no longer be appropriate and a clear indication as to what material is to be considered confidential and why should be given.

NMGW Enterprises Catering Tender 2012

NMW cannot accept that trivial information or information which by its very nature cannot be regarded as confidential should be subject to any obligation of confidence.

In certain circumstances where information has not been provided in confidence, NMW may still wish to consult with you as to the application of any other exemption such as that relating to disclosure that will prejudice the commercial interests of any party. However the decision as to what information will be disclosed will be reserved to NMW.

SUPPORT INFORMATION

Please provide the following information to support your tender:

Supply the name and contact details for your company' s representative in relation to this tender

If subcontractors are involved in any part of the work specified in this tender details must be provided

Costs must be submitted as a FIXED price in POUNDS STERLING

All labour costs should be quoted INCLUSIVE of travel and subsistence

Costs should be quoted exclusive of VAT

Provide details of proposed equipment manufacturers and/or suppliers as appropriate

Provide clear details of any bespoke terms and conditions applicable to your tender, and detail

NMGW Enterprises Catering Tender 2012

TENDER SUBMISSION DETAILS

In submitting a tender please note the following information and ensure you conform with the specified conditions.

IMPORTANT

Failure to conform with these conditions may mean that your tender is declared invalid and eliminated from consideration.

NMGW Enterprises Catering Tender 2012

CLOSING DATE

All responses to this ITT **MUST** be received at the address below by **NOON** on

Monday 5th March 2012

Please ensure you allow sufficient time to enable your response to be received – late tenders will not be included.

TENDER SUBMISSION

Each tender should be returned enclosed in a sealed envelope **CLEARLY** marked as follows :

CONFIDENTIAL – TENDER (Catering Contracts, National Museum Cardiff, St Fagans National History Museum, National Waterfront Museum Swansea)

NOT TO BE OPENED UNTIL NOON Monday 5th March 2012

Michael Evans

National Museum Wales

Cathays Park

CARDIFF CF10 3NP

EXTERNAL MARKINGS

Tender submissions should be returned in plain envelopes bearing **NO** external markings other than the address label and appropriate postage or courier details

NMGW Enterprises Catering Tender 2012

QUERIES

Please address any queries in the first place to:

M J Evans

Tel: 02920 573376

Fax: 02920 573370

Email: michael.evans@museumwales.ac.uk

NMGW Enterprises Catering Tender 2012
Appendix 1

Site/Catering Outlet	<p align="center">National Museum Cardiff</p> <p>Target visitor numbers for 2011/12 397K Actual visitor figures for 2010/11 356K</p>	<p align="center">National History Museum St Fagans Cardiff</p> <p>Target visitor numbers for 2011/12 630K Actual visitor figures for 2010/11 616K</p>	<p align="center">National Waterfront Museum Swansea</p> <p>Target visitor numbers for 2011/12 260K Actual visitor figures for 2010/11 268K</p>
Oriel restaurant	180 cover assisted service basement restaurant with children's play area and adjacent production kitchen and back office facilities, approx turnover of £180Kpa		
Main hall coffee shop	96 cover coffee shop located in the main hall of the museum with small counter and wash up/prep area, approx turnover of £100Kpa		
Venue hire catering	see appendix 2 for details of event profile, mix and hireable spaces on offer catering turnover of approx £50kpa internal events £300k pa external events		
Bardis coffee shop*		90 cover self service coffee shop with washing up area at main entrance of the museum, approx turnover of £250Kpa	
Vale restaurant*		110 cover self service restaurant with adjacent production kitchen and back office areas, overflow peak season seating of 40 covers in adjacent meeting room, approx turnover of £200K	
Gwalia tearooms		35 cover tea room with waitress service, finishing kitchen, located above Gwalia stores one of the historic buildings in the museum grounds. Turnover of approx £100Kpa currently closed mid November to mid February	
The Buttery		45 cover tea room with counter service, located in the historic St Fagans castle this facility including the adjacent fully serviced kitchen was refitted following a period of being unused late in 2010. Currently open from March to early November. Turnover of approx £40K in year one.	
Kiosks		Turnover of approx £80Kpa from ice cream and drinks from 2 x ice cream bikes and 2 x kiosks. Kiosks are currently supplied by ice cream supplier who has a contract with the current	

NMGW Enterprises Catering Tender 2012

		caterer. There is a medium term plan to replace the kiosks with purpose built units which are more in keeping with the site	
Venue hire catering		see appendix 3 for details of event profile, mix and hireable spaces on offer catering turnover of approx £20kpa Internal events £60K pa external events	
<i>Post redevelopment main entrance café/restaurant*</i>		see appendix 5	
<i>Post redevelopment new building café in grounds</i>		see appendix 5	
Waterfront café			60 cover self service café with adjacent production kitchen (additional 1 st floor finishing kitchen for venue hire), approx turnover of £250Kpa
Venue hire catering			see appendix 4 for details of event profile, mix and hireable spaces on offer catering turnover of approx £5kpa internal events £95K pa external events

* see appendix 5 regarding the St Fagans redevelopment project, if this goes ahead then Bardis and the Vale restaurant would be replaced by a new facility adjacent to the main entrance of the redeveloped Museum.

NMGW Enterprises Catering Tender 2012

Appendix 2 Venue Hire – National Museum Cardiff

The Museum is used for a wide range of private and high profile corporate events from drink receptions, gala dinners and wedding receptions to award ceremonies, conferences, seminars and meetings. The hire of such facilities form an important part of the Museum's income generation strategy. Venue hire is operationally managed by a small team of dedicated venue hire staff supported by a Business Improvement Manager, and in partnership with the appointed caterer.

The appointed caterer(s) will be the preferred cater* for such events and must therefore show the infrastructure, commitment, ability and resources to do so to an excellent standard.

The Museums' hireable spaces are outlined below.

VENUE	CAPACITY	
	BOARDROOM	THEATRE
Lloyd George Meeting Room	10	12
Dylan Thomas Meeting Room	12	15
Augustus & Gwen John Meeting Room	25-30	50
Oriel Suite	40	90
(all of the above rooms form the Suite)		
Court Room	30	50
Reardon Smith Theatre	340 + dedicated area for wheelchair users	
Theatre & Oriel Suite	340 Theatre 100 Oriel Suite	
Theatre & Restaurant	340 Theatre 200 Restaurant (seated + standing)	
Theatre, Oriel Suite & Restaurant	340 for Theatre 300 for Restaurant & Oriel Suite	
Clore Discovery Centre		40
Grand Hall	Seated 330	Standing 400
Galleries	Standing 330	n/a
Grand Hall & balcony	330	n/a
Grand Hall & Galleries	Seated 330	Standing 400

In 2011/12 National Museum Cardiff received 181 venue hire bookings which can be broken down as follows:

- 40 Lectures/educational bookings (22% of bookings)
- 37 Concerts/Shows (20%)
- 30 Meeting Room Hire (16.5%)
- 24 Drinks Receptions & Dinners (13%)
- 15 Wedding Receptions (8%)
- 14 Seated Dinners/Bufets (8%)
- 8 Conferences (4%)
- 7 Award Ceremonies (4%)
- 6 Drinks Receptions (3%)

New potential areas of growth anticipated for National Museum Cardiff include all-inclusive Student Prom & Ball packages, Corporate Christmas events, Children's Birthday Parties and possibly day delegate packages to attract the conference market.

In addition to venue hire, the Museum orders internal hospitality for meetings, hosts private dinners, lunches for its committees and other guests as well as exhibition launch events which the caterer would be required to provide catering for at a preferential rate.

* with the exception of events where specialist caterers are required e.g. Asian weddings, barmitzvah etc.

NMGW Enterprises Catering Tender 2012

Appendix 3 Venue Hire – St Fagans National History Museum

The Museum is used for a range of private and corporate events from dinners and wedding receptions to seminars, training days and meetings. The Museum also holds a license for civil ceremonies in Oakdale Hall and the St Fagans Castle Hall. The hire of such facilities form an important part of the Museum's income generation strategy. Venue hire is operationally managed by a part-time venue hire officer supported by a small team of site administrative staff, and by the Business Improvement Manager, in partnership with the appointed caterer.

The appointed caterer(s) will be the preferred cater* for such events and must therefore show the infrastructure, commitment, ability and resources to do so to an excellent standard.

The Museums' hireable spaces are outlined below.

VENUE	CAPACITY
Oakdale Hall	120 Theatre; 30 Boardroom; 100 Standing; 70 Dining
Oakdale Reading Room	25 Theatre/Standing
Oakdale Committee Room	10 Boardroom
Castle Buttery	50 Dining
Castle Dining Room	40 Dining
Castle Grounds & Reception Marquee	80-130 Dining
Iolo Morganwg Room	20 Boardroom; 40 Dining
Tŷ Gwyrdd & Garden	30 Theatre; 20 Boardroom; 40 Drinks Reception
Vale Restaurant	90 Dining
Committee Room	18 Boardroom; 35 Theatre
Oriel 1 Gallery	50 Theatre / 120 Standing

In 2011/12 St Fagans National History Museum received 46 venue hire bookings which can be broken down as follows:

- 11 Meeting Room Hire (24% of bookings)
- 18 Wedding Ceremonies (38%)
- 7 Wedding Receptions (15%)
- 5 Seminars/Training Days (11%)
- 4 Dinners (9%)
- 1 Conference (2)

The wedding market remains the main area of growth for St Fagan. The redevelopment project could open up potential for new and larger hireable facilities being made available for income generation in the future.

In addition to venue hire, the Museum orders internal hospitality for meetings, hosts private dinners, lunches for its committees and other guests as well as launch events which the caterer would be required to provide catering for at a preferential rate.

NMGW Enterprises Catering Tender 2012

Appendix 4 Venue Hire - National Waterfront Museum Swansea

The Museum is used for a range of private and corporate events from dinners, award ceremonies and wedding receptions to seminars, training days and meetings. The Museum also holds a license for civil ceremonies in the Warehouse Gallery and Marina Balcony. The hire of such facilities form an important part of the Museum's income generation strategy. Venue hire is operationally managed by a part-time venue hire officer supported by the Business Improvement Manager, and in partnership with the appointed caterer.

The appointed caterer(s) will be the preferred cater for such events and must therefore show the infrastructure, commitment, ability and resources to do so to an excellent standard.

The Museums' hireable spaces are outlined below.

SPACE	CAPACITY
Warehouse Gallery	250 Theatre; 180 Dinner; 250-300 Standing
Marina Balcony & Upper Foyer	60 Balcony Seated; 200+ Standing
Warehouse Gallery, Marina Balcony & Upper Foyer	See above
Warehouse Gallery, Marina Balcony, Upper Foyer & Weston Hall	230 Dinner; 300+ Reception
Weston Hall	230 Dinner; 250+ Theatre; 400 Standing
Weston Hall & Courtyard Garden Marquee	230+ Dinner; 500 Standing
The Colonnade / New Gallery	150-200 Standing
Dockside Room	50 Lecture; 20 Boardroom
Cityside Room	40 Lecture; 15 Boardroom
Vivian Room	30-40 Seated

In 2011/12 the National Waterfront Museum received 80 venue hire bookings which can be broken down as follows:

- 39 Meeting Room Hire (49% of bookings)
- 19 Training Days (24%)
- 1 Wedding Ceremony (1%)
- 6 Wedding Receptions (8%)
- 7 Drinks Receptions & Dinners (9%)
- 4 Conference/Seminars (5%)
- 4 Award Ceremonies (5%)

New potential areas of growth for the future include all-inclusive Student Prom & Ball packages, Corporate Christmas events, Children's Birthday Parties and day delegate packages. The attraction of the wedding market to the Museum could also be potentially strengthened in future with packages to increase the value of overall booking with 'all-in' packages.

In addition to venue hire, the Museum orders internal hospitality for meetings, hosts private dinners, lunches for its committees and other guests as well as launch events which the caterer would be required to provide catering for at a preferential rate.

Appendix 5 St Fagans Redevelopment Project – Creu Hanes- Making History

Making History is an exciting £20 million project to transform the visitor experience at St Fagans: National History Museum.

What we hope to do:

Extend the timeline - At the moment, St Fagans concentrates on the history of the people of Wales over the last 500 years. We will bring the national archaeology collections from National Museum Cardiff to St Fagans, to help us to tell the story of the first people to live in Wales 250,000 years ago and to place the story of Wales in the context of world history.

Create an all-weather attraction - as well as improving the open-air aspect, we will be developing the under-cover offer. The galleries in the main building will be totally refurbished to create new learning and exhibition spaces and a brand new structure will be built in the woodlands for visitors to experience Wales's history and the nation's treasures.

Events - There will be more activities and events to support the extended timeline with an emphasis on giving visitors a chance to take part. Visitors will also be able to experience open-air archaeology and we're keen to create opportunities for volunteers and to work closely with community groups.

Provide new routes into Welsh history - By suggesting new ways of navigating St Fagans and updating the interpretation around the site, we will be making it easier for visitors to find out more about specific aspects of Welsh history and plan their experience according to interests and time restraints.

Enjoyment - Our visitors are at the core of the project, and we will be improving facilities to try and provide the best possible experience. There will be safe places for our younger visitors to learn through play and new places to eat and meet. The under-cover improvements will make St Fagans a place to enjoy all through the year, whatever the weather.

The benefits for Wales - St Fagans is the second most visited open-air museum in Europe, attracting over 600,000 visitors a year. It has become the home of Welsh history - part of the fabric of Welsh identity and place to which many people from Wales and all over the world make a pilgrimage and expect to experience the story of Wales.

This 10-year investment will present a strong message of change and exciting new directions. It will reinforce the position of St Fagans as a must-see attraction for visitors to Wales - an essential element of Welsh heritage tourism that will benefit the whole of Wales.

Impact on Catering

The redevelopment project will increase catering turnover and provide increased opportunities for corporate business. The works will have a major impact on the main building which currently houses the production kitchen, Vale Restaurant and Bardis coffee shop. However the majority of the site including the castle and its' grounds will

NMGW Enterprises Catering Tender 2012

be unaffected and with a continued programme of events visitor numbers are anticipated to remain buoyant during the period of works. Gwalia tea rooms and the Castle Buttery with its' kitchen will be fully operational and accessible and plans are already in place for temporary catering facilities at the entrance and in the grounds to supplement these. We will look to our catering partner to play an active role in supporting, operating and maximising opportunities for visitors to eat and drink during the redevelopment works. With the Castle unaffected by the works our wedding business remains a key area of opportunity for us.

Upon completion of this high profile project visitor numbers are forecasted to increase over a period of time to around 850,000pa with a longer term aspiration to achieve a million annual visitors. However in addition to this the redeveloped main building will include: an education centre with a 120 seat lecture theatre, multifunctional meeting/schools rooms and the potential to offer corporate dinners for up to 200 people.

A brand new 200 cover ground floor restaurant at the main entrance will have an adjacent production kitchen, stores and back office staff facilities. In addition to the Castle Buttery and Gwalia tearooms (which will remain) a brand new building is built in the grounds. This exciting contemporary space will offer exhibitions and educational facilities together with a 120 cover coffee shop. Finally the existing ice cream kiosks will be replaced by purpose built log cabins in keeping with the rural nature of the site.

The main period of disruption from the works is currently envisaged to last for around two years from midway through 2013 to the end of 2015.

NMGW Enterprises Catering Tender 2012

Appendix 6 Example Financial Analysis Form

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
National Museum Cardiff											
Forecasted turnover ex V.A.T.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Guaranteed rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Forecasted turnover rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Capital Investment ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Marketing Contribution ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
National Waterfront Museum Swansea											
Forecasted turnover ex V.A.T.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Guaranteed rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Forecasted turnover rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Capital Investment ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Marketing Contribution ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

NMGW Enterprises Catering Tender 2012

Appendix 6 Example Financial Analysis Form

St Fagans National History Museum with redevelopment project * minimum £750K capital investment required												
Forecasted turnover ex V.A.T.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Guaranteed rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Forecasted turnover rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Capital Investment ££'s	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000	£750,000
Marketing Contribution ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
St Fagans National History Museum without redevelopment project												
Forecasted turnover ex V.A.T.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Guaranteed rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Forecasted turnover rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total rent ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Capital Investment ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Marketing Contribution ££'s	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

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Appendix 2

Primary criteria

1. Give details of your financial contribution based on a 10-year contract (subject to an annual performance review) with a break clause to be agreed. The redevelopment of St Fagans will be confirmed after the tender has been awarded, therefore we require you to provide two financial proposals for St Fagans, one which reflects the impact of the redevelopment project and one which assumes "business as usual" over the life of the contract. *(to allow us to make fair comparisons with other operators this must be submitted in the same format as the example financial analysis form shown as appendix 6)*
Capital investment - a mandatory capital investment of at least £750K will be required during the year April 2014 to March 2015 to support the catering element of the St Fagans redevelopment works, contractors may also wish to make capital investment available for the ongoing development and improvement of the catering facilities at NMC & NWMS.

all figures reflect a ten year contract					
Company	Total Rent (guaranteed and forecasted for all three sites with St F's redevelopment)	Capex	Marketing	Total	Shortlist?
Elior	£4,546,072	£1,050,000	£1,179,197	£6,775,269	yes
Kudos/Crown	£3,365,624	£974,001	£538,165	£4,877,790	yes
Colin Gray	£3,519,683	£1,000,000	£319,347	£4,839,030	yes
Lindley Heritage	£2,179,939	£825,000	£352,098	£3,357,037	no
Debonair Catering	£1,438,597	£950,000	£555,649	£2,944,246	no
Just Perfect Catering	£1,024,400	£829,100	£280,300	£2,133,800	no

Secondary criteria

1. Your experience of working with a bi-lingual organisation and how you will support the Museum's policy of treating both languages (Welsh and English) equally. 10%
2. Give an example your proposed management & support structure for our contracts, this should reflect local, regional and national management levels. Illustrate how this management structure could be used to support and develop the existing

museum management of our three "in-house" run catering operations at our smaller sites (National Wool Museum, National Slate Museum and Big Pit). 25%

3. Give examples of your pricing, quality and value equation and in particular how you will offer value for money to our target family audience. 15%
4. Give examples of how all the aspects of Health and Safety will be met plus all Hygiene Regulations associated with the integrity of the food supply chain. 20%
5. Give examples of how you will recruit, train and maintain the highest standards of customer service and staff employment. 15%
6. Give examples of how you will work in partnership with the Museum and its staff both on day to day operations and longer term strategic development of the businesses. 20%

Company/Criteria	1	2	3	4	5	6	Total
Elior	7	20	10	18	12	17	84
Kudos/Crown	7	18	9	18	10	15	77
Colin Gray	9	10	7	15	8	17	66

Interview criteria

1. How you will develop and improve the public catering offer at each site in empathy with the museum, its collections and our welsh culture and heritage whilst ensuring it offers an enjoyable experience which enhances the museum visit. We are particularly interested to hear about your ideas for the public offer at St Fagans upon completion of the re-development works. 25%
2. How you will develop and improve our corporate catering offer to include quality, value for money, innovation and reputation, thereby giving us an edge over our competitors and clients a "wow" factor. We are interested to understand how your suggestions and ideas can be extended to our significant internal catering requirements for Museum meetings, functions and gatherings. 25%
3. What products you will offer which differentiate you from the competition, how and from where you will source them. 15%

4. How you will market your offer and establish branding of your product range, bearing in mind that it will be available in a Welsh cultural environment. We are particularly interested to hear how "our catering reach" could be extended to non-visitors, i.e. creating a catering experience which is attractive in its own right as a destination for the public. 25%

5. How sales, costs, profitability will be openly shown and discussed with Enterprises. 10%

Company/Criteria	1	2	3	4	5	Total
Elior	20	21	8	20	10	79
Kudos/Crown	20	20	10	18	9	77
Colin Gray	18	19	10	18	10	75

Company	Totals	Accept/Reject
Elior	163	Accept
Kudos/Crown	154	Reject
Colin Gray	141	Reject

Company	Feedback or Contract Points
Elior	<ul style="list-style-type: none"> • Welsh sourcing – KPI in contract • Welsh sense of place – Elior to address with consultant support • Consultancy support – Enterprises to agree consultant retained by us paid for by Elior • Reporting structure – Elior to clarify/simplify • Guaranteed rent – Elior to clarify figures • St Fagans General Manager – Elior to address
Kudos/Crown	<ul style="list-style-type: none"> • Contract not awarded as scored lower than winning company in the following criteria: <ul style="list-style-type: none"> ○ Financial package was £1.9 million lower than winning company and capital investment for NMC & NWMS over ten years was inadequate to support the sales forecasts. ○ Scored lower than winner in secondary criteria on point 2&6 with concern over who we would deal with at a senior level and whether big enough to take our

Colin Gray	<p>contract when no other experience/current business in Wales.</p> <ul style="list-style-type: none">• Contract not awarded as scored lower than winning company in the following criteria:<ul style="list-style-type: none">○ Financial package was £1.9 million lower than winning company○ Scored lower than winner in secondary criteria, in particular weak on secondary criteria nos 2 & 3. No 2 due to lack of management resource and indication services to support our in-house operations may have to be charged for, not big enough infrastructure to take on our contract.○ Scored lower than winner overall in interview criteria, and the main area of concern here was the security of the "Blas" brand
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Appendix 3

Catering Tender Interviews – Scoring Sheet Company... Enxox.....

Tender interviews – individual focus	
Product offer; catering offer; corp catering offer; integrity of food chain – Nerys 20%	Not really expanding the 'general' offer. Concentrating on the 'bakery' offer could cause problems with franchisee Unrealistic 'Castle Dining Room' 240 days x 30 Not to 'waste' £30K on the 'celebrity' offer invest this money in sourcing useful produce
Finance, capex, sales costs and profitability; partnership – Phil 20%	Concentrated too much on the exclusivity of the 'celebrity chef' & developing the dining room. Smaller version of adult meal.
Pricing, quality and value for family offer; St. Fagans; bilingual approach – Bethan 20%	Spending a lot of money on customer research
Customer service; employment; mgt and support structure; marketing – Mark 20%	
Inviting questions, overseeing and covering AOB points – Gareth 10%	
X factor - 10%	

- Strong for the corp market weak on the daily offer for our 'core' audiences.
- Should've been in the strongest position however didn't really hit the mark re what 'St Fags' required - Tried too hard.
- We know we can work with them if they would be willing to make changes to their brief/headers
- Missed the mark with their "folly"
- Ice cream - 'developing their own brand through Mary's.
- Why haven't they developed here ideas before the tender?

Catering Tender Interviews – Scoring Sheet Company.....*Colin Gray*.....

Tender interviews – individual focus	
Product offer; catering offer; corp catering offer; integrity of food chain – Nerys 20%	
Finance, capex, sales costs and profitability; partnership – Phil 20%	<i>Relying too much on CastellCowell Contradiction on the £ marketing + Welsh Govt (Bias)</i>
Pricing, quality and value for family offer; St. Fagans; bilingual approach – Bethan 20%	<i>Good, overview</i>
Customer service; employment; mgt and support structure; marketing – Mark 20%	<i>Very small team wholly reliant on one person – too big a challenge.</i>
Inviting questions, overseeing and covering AOB points – Gareth 10%	
X factor - 10%	<i>Local Welsh Based in Wales Keeping £ spent in Wales in Wales.</i>

Catering Tender Interviews – Scoring Sheet Company..... **K.V.D.S.**.....

Tender interviews – individual focus	
Product offer; catering offer; corp catering offer; integrity of food chain – Nerys 20%	Excellent quality Had an understanding of 'True Taste' Liked the smaller plate option for older visitors Separate wedding company to help develop the side of the business.
Finance, capex, sales costs and profitability; partnership – Phil 20%	financially weak rent & capital SF - £60k investment if redevelopment doesn't happen
Pricing, quality and value for family offer; St. Fagans; bilingual approach – Bethan 20%	worked in a bilingual/trilingual Portugal. 'fish fingers'
Customer service; employment; mgt and support structure; marketing – Mark 20%	Emphasised the 'personal' touch from the senior man team.
Inviting questions, overseeing and covering AOB points – Gareth 10%	
X factor - 10%	Liked the overall look & feel of cafe/deli. Understood sensitivity of working within an historic setting. • fresh outlook.

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Appendix 4

Catering Tender Interviews - Scoring sheet

	Kudos/Crown	Elior	Colin Gray
Product offer; catering offer; corp catering offer; integrity of food chain	15 18 16 16 18 Average = 16.6	12 14 14 17 18 Average = 15	16 16 10 16 18 Average = 15.2
Finance, capex, sales costs and profitability; partnership	17 16 13 15 15 Average = 15.2	17 17 20 18 18 Average = 18	10 10 10 12 10 Average = 10.4
Pricing, quality and value for family offer; St. Fagans; bilingual approach	15 16 17 17 18 Average = 16.6	16 16 18 18 18 Average = 17.2	16 16 17 17 15 Average = 16.2
Customer service; employment; mgt and support structure; marketing	18 18 15 15 18 Average = 16.8	14 17 20 16 18 Average = 17	5 12 10 12 10 Average = 9.8
Ethos/Monopoly responses	5 8 8 8 8 Average = 7.4	5 5 10 7 8 Average = 7	5 4 10 6 5 Average = 6
X Factor	5 8 7 7 8 Average = 7	5 5 7 7 6 Average = 6	5 6 7 7 6 Average = 6.2
Total Average Score	79.6	80.2	63.8
Risk Factor	Amber Unproven Limited experience in the heritage sector Small team	Green Still weak on "Welshness"	Red No scale/lack of resources Capex not secured Blas brand not secure over life of the contract Unhealthy relationship with Castell Howel Unrealistic sales forecasts
Key Points	Passionate Good all round proposals Weaker financials especially capex	Strong financials Proven, we know they can deliver Continuity for business at time of great change Big selection of ideas and new initiatives to take forward	Local Welsh
Yes/No	No	Yes	No

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Appendix 5

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RESPONSES TO CLARIFICATION QUESTIONS FOR CATERING CONTRACTS AT:

National History Museum St Fagans, National Waterfront Museum Swansea and National Museum Cardiff

Working with National Museum Wales has been, and would continue to be, a great opportunity for Elior. We see this as a flagship operation and one which we take very seriously in terms of commerciality and supporting Welsh produce, suppliers and development of community.

Our relationship has been built on open discussion, flexibility and trust and we would very much wish to see this partnership approach being maintained for a further 10 years.

Our initial proposals, within the original return document, have been developed on a flexible and commercial basis whilst acknowledging the known sensitivities of the Museum. We see these as being the starting point for further discussion and debate and hope the following clarifies the points raised.

1) Welsh Provenance

Suppliers

Elior maintains a flexible approach to supply and is committed to sourcing the best quality and most seasonal ingredients both locally and nationally for our customers and clients. With this in mind we will work closely with you and the nominated Food Consultant to agree and appoint a selection of appropriate Welsh based suppliers for all fresh produce including fruit and vegetables, meat, bakery, seafood and dairy.

In addition, we will ensure that we are proactive and supportive of the development of a wider range of meat products from the St Fagans estate that currently produces pork for Elior at the National Museum Wales. We see this extending to lamb, beef and poultry over a period of time that will be complemented by a local butcher.

By working in this way and by reducing food miles we believe that there will be cost benefits to be gained.

Local Produce

Where local products have customer appeal we will purchase these within our business and assist small local producers to develop a platform in the market by working with Castel Howell, one of our current supply partners, to achieve this ambition.

relationship with CH

In conjunction with the Food Consultant and Elior Procurement we plan to develop the current annual Food Festival held at St Fagans into an important supplier event in the Calendar, and through this work we aim to achieve 'Wales the True Taste' support and recognition.

In addition to local foods and produce, we plan to broaden our nominated supplier base by introducing Welsh roasted coffee into Cardiff Museum and as a guest blend in St Fagans and

The Taste
Elior

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Swansea. We would also like to introduce Welsh teas and infusions, wines, beers, ciders and soft drinks to ensure we have a comprehensive and visible offer.

X Welsh
X - sup.
X - not Welsh

Menus

We are keen that one of the priorities of the Food Consultant is to advise on everything that is Welsh in terms of dishes, recipes, authentic ingredients and traditional cooking methods.

By working closely with the Consultant in this way our restaurant and cafe menus will be unique, innovative and continuously evolving; reflecting the food of Wales by its produce and through traditional Welsh dishes often handed down through generations.

KPI

Approximately half of our current supply to the museums is sourced from Welsh based suppliers either directly or through Castel Howell.

audit. - may all food.

In discussion with the Museum we will mutually agree a suitable percentage of Welsh based supply; in some cases this will depend on seasonality and commercial viability of the products.

For example, we would commit to 75% in the first 6 months which reflects the appointment of local suppliers for all fresh produce. In addition, we would take steps throughout the first year to commit to increasing the level of Welsh supply to 80% which will be delivered as a result of purchasing from local producers directly or through Castel Howell.

As part of our reporting processes agreed with the Museum, we would provide annually a schedule of the value of all goods supplied by Welsh based suppliers and as a percentage of total food purchases. In addition we would present the value of Welsh produce and commit to increasing this as a percentage of total food purchases.

2) Sense of Place

Our designs, conceptual drawings and marketing identities are initial ideas for discussion with the Museum.

For example at St Fagans we considered a design that captures family eating by bringing down the barriers of tall service counters making the space more fluid and interactive. We proposed that the kitchen was "out front" so customers can enjoy walking through the space and interacting with the Chefs; complemented with open cooking apparatus of a Baking Oven, Skillet and Griddle to provide character. The seating areas are designed for informality, sharing and casual family dining with large wooden kitchen style tables and benches.

We anticipate working closely with key Museum representatives to ensure that we develop an environment in keeping with each Museum's surroundings. If we are successful in this tender process, we envisage that we would all work together with our designers to provide further designs and artist's impressions and confirm brand identities.

Food procurement - audit trail.

3) Consultancy Support

In our initial proposals we have suggested two consultant roles to work with both the Museum and Elior to develop the offer within all three museums. We are flexible in our approach to the appointment of these roles, and are happy to align ourselves with the Museum's decisions in this aspect.

We see the Food Consultant role within public catering providing guidance in the delivery of an authentic Welsh offer through the menus and local produce with an emphasis on Welsh culture and life. In addition this position will develop partnerships with local artisan producers to deliver an exciting programme of hands on workshops and demonstrations. Providing a learning experience is an important part of our strategy in creating a wider catering experience facilitating the objective to increase Museum visitor numbers.

This position will work closely with the Museum team therefore it is essential the appointment is mutually agreed and we very much welcome the Museum's input.

The Chef Consultant will have specific responsibilities for developing Corporate Hospitality, Event Catering and the Castle Dining Room. Our strategy to grow sales by approximately 50% in the first two years is a key part of our business plan.

We have identified Shaun Hill for his expertise in developing new restaurants and quickly building a reputation as well as his passion for developing young and inexperienced chefs in Wales. This position will oversee the compilation of all menus and host specific food tasting events to assist in sales development.

Importantly Shaun will mentor and develop, both on site and at the Walnut Tree Restaurant (Abergavenny), the Museums Executive Chef with our objective of the museums being recognised as some of the best event catering venues in Wales.

4) Reporting Lines

We would like to take this opportunity to demonstrate a more robust approach to our supporting structure for the Museums. This will ensure that Karen and the site teams receive the vital support and resources to deliver a comprehensive service on a daily basis to our Museum clients and customers.

With this in mind, we propose that the reporting lines are amended with Karen reporting directly to the newly appointed Regional Director, Mark Hall (45 minute commute from Cardiff). Mark will attend with Karen all monthly, quarterly and annual reviews.

As part of our South Wales region, The Museums will benefit from advantages such as local support and making the management feel part of a local team. To maintain this important link we propose that Jacqui Dunn, Operations Manager (45 minute commute from Cardiff), continues to support Karen without the client interface (please see attached Organisational Chart).

David Carr, in his new role as Commercial Director, will continue his relationship with the Museum as a key and strategic client and will be available to attend quarterly meetings. In her role as Executive Sponsor to the Museum, Catherine Roe will attend the annual review.

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5) St Fagans General Manager

The St Fagans site is planned to commence with a development schedule that will require the management team to be organised, proactive and able to manage significant ongoing change. Once the site has been developed it will be more challenging from a catering perspective with the additional catering locations, Corporate Hospitality and Event Catering.

With sales growth anticipated to double in the first full year of opening we are planning to recruit, prior to October 2012 and in partnership with the Museum, a new General Manager who has the capability and experience to manage this significant change programme.

6) Economies of Scale in Purchasing

Moving the purchase of fresh produce to locally based suppliers will impact on our ability to negotiate absolute best price for the Museum based on volumes. As a company, we currently spend in excess of £15M annually with our nominated suppliers in these categories. We have therefore adjusted our financial proposal through revised commission rates to offset reduced purchasing discounts.

Rent and MGR

Further to our discussions, the commission rates have been marginally adjusted to compensate for reduced purchasing discounts due to the potential implementation of a local supply policy.

We have assumed that the St Fagans redevelopment is implemented and have built a model that eliminates some of the risk from the visitor numbers that we had projected to reach 1M by 2021.

On this basis, we are able to propose a MGR to the Museum of £3,024,585 over the ten year term.

7) Investment

We have proposed a total investment package of £1.05M, of which £860K is released in years 1 and 2, with £810 specifically for St Fagans.

Following further review, we are able to bring forward £30K from the proposed year 6 'Refresh' budget if the additional funding is required, making £890K available within the first 2 years. We will work together with the Museum to agree the distribution of the capital, and we will review required funds for 'Refresh' later in the contract term.

In addition there is an outstanding un-depreciated asset of £26K payable on termination of the contract that we are able to propose is kept on our books and drawn down against commission over the ten year term of the contract.

Appendix 6

DATE:

DECEMBER 2012



Concession Catering Services Agreement between:

**(1) Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru /
National Museums & Galleries Of Wales Enterprises Limited**

(2) Elior UK plc; and

(3) National Museum of Wales

Schedule 15

Provisions regarding the use of Welsh products/suppliers

1. The Caterer shall
 - (a) use best endeavours to maximise the amount of Welsh produce purchased by the Caterer and supplied in connection with the Services;
 - (b) without prejudice to the provisions of paragraph 1(a) above, during the Term, increase the amount of Welsh produce purchased and distributed by Welsh based suppliers in connection with the Services and shall achieve the targets set in respect of each Contract Year, such targets to be set pursuant to paragraphs 3-7;
 - (c) without prejudice to the provisions of paragraph 1(a) above, during the Term increase the amount of produce purchased in connection with the Services which has received an accredited "Wales True Taste" award where commercially viable, meaning the produce is as competitive as non accredited produce.
2. The targets referred to in paragraph 1 set in respect of each Contract Year shall be percentage targets based on a percentage of the total value of food and beverage purchases made in connection with the Services by the Caterer and in each Contract Year across the Sites.
3. The target percentages for the first Contract Year shall be
 - 1) A minimum of 22% of the total value of food and beverage purchases shall be produced in Wales.
 - 2) A minimum of 75% of the total value of food and beverage purchases shall be distributed by Welsh based suppliers.
4. The target percentages for the second Contract Year shall be
 - 1) A minimum of 22.5% of the total value of food and beverage purchases shall be produced in Wales.
 - 2) A minimum of 80% of the total value of food and beverage purchases shall be distributed by Welsh based suppliers.
5. The target percentages for the third Contract Year shall be
 - 1) A minimum of 23% of the total value of food and beverage purchases shall be produced in Wales.
 - 2) A minimum of 80% of the total value of food and beverage purchases shall be distributed by Welsh based suppliers.
6. The target percentages for the fourth Contract Year shall be
 - 1) A minimum of 23.5% of the total value of food and beverage purchases shall be produced in Wales.
 - 2) A minimum of 80% of the total value of food and beverage purchases shall be distributed by Welsh based suppliers.
7. The target percentages for the fifth Contract Year shall be
 - 1) A minimum of 24% of the total value of food and beverage purchases shall be produced in Wales.
 - 2) A minimum of 80% of the total value of food and beverage purchases shall be distributed by Welsh based suppliers.
8. Actual targets achieved will be presented annually and shall be broken down as follows:
 - (a) average purchases across all Sites;
 - (b) National Museum Cardiff purchases;
 - (c) St Fagans purchases;
 - (d) National Waterfront Museum, Swansea purchases.and in respect of each of (a) to (d) above, shall be further broken down as follows: