

<b>Committee:</b> Hampstead Heath, Highgate Wood & Queen's Park Committee	<b>Date:</b> 05 June 2019
<b>Subject:</b> Queen's Park Café Tender Timeline	<b>Public</b>
<b>Report of:</b> Bob Warnock – Superintendent of Hampstead Heath	<b>For Decision</b>
<b>Report author:</b> Richard Gentry – Constabulary & Queen's Park Manager	

### **Summary**

This report sets out the proposed tendering process for the Queen's Park Café.

The Queen's Park Café is currently operated by Urban Leisure Group (ULG). However, on 3 April 2019, ULG served notice to terminate their lease, giving the City of London Corporation the required six months' notice. ULG will continue to trade in the Café until 2 October 2019.

### **Recommendation(s)**

It is recommended that:

- Members agree to tender the lease for the Queen's Park Café, as described in paras 9 & 10.
- Members agree the proposed tendering process and timeline, as set out in Para 11.

### **Main Report**

#### **Background**

1. On 15 November 2017 the Hampstead Heath, Highgate Wood and Queen's Park Committee approved the granting of delegated authority to the Town Clerk (in consultation with the Chairman and Deputy Chair of the Hampstead Heath, Highgate Wood and Queen's Park Committee) to award a three-year lease for the Queen's Park Café to the Urban Leisure Group (ULG).
2. ULG commenced trading on 3 February 2018 and the Queen's Park Manager has undertaken regular Café performance monitoring meetings with the ULG and established an effective working relationship with them.
3. On 27 March 2019 the Chairman, Director, Superintendent and Queen's Park Manager met with the ULG to provide feedback and discuss the process for re-tendering, once the existing three-year lease had expired.

4. At this meeting ULG highlighted a number of operational issues the business was facing.
5. On 3 April 2019, ULG notified the City of London Corporation of their decision to terminate their lease. ULG gave the City Corporation six months' notice that they will cease trading and terminate the lease on 2 October 2019.

### **Current Position**

6. ULG was awarded a three-year lease because, at the time of the award, it was only possible to let the Queen's Park Café for a maximum term of three years, in accordance with Section 76 of the Public Health Acts Amendment Act 1907.
7. According to Section 6 of the City of London Corporation (Open Spaces) Act 2018, it is now possible to offer a lease of up to fifteen years, or twenty-one years in exceptional circumstances, allowing greater continuity of service, investment in the facilities and development of the business.

### **Proposals**

8. It is therefore proposed to use the powers contained within the City of London Corporation (Open Spaces) Act 2018 to offer a longer lease, in order to secure financial investment in the Café facility.
9. The Superintendent proposes that the new lease for the Queen's Park Café be for a period of at least seven years, with suitable break clauses and the option to extend for an additional three years, subject to satisfactory performance and service delivery.
10. Members' views are sought regarding the length of lease offered.
11. The most recent Café consultation at Queen's Park was conducted over the winter of 2016/17. It is proposed to undertake a similar engagement and consultation exercise with users to determine the outcomes that will inform the tendering process. Consequently, the following timetable is proposed:
  - May 2019 – The Queen's Park Manager appoints a consultant to undertake an engagement and consultation exercise with users.
  - June 2019 – Commence engagement and consultation, which will include:
    - Pop-up sessions outside the Queen's Park Café.
    - Online user and non-user survey.
    - Focus Group Meeting at Queen's Park.
  - July 2019 – Consultant to prepare a report setting out the learning and proposed outcomes, service standards and performance indicators to inform the tendering process.

- July/August 2019 – The Queen’s Park Consultative Group will be convened to give feedback on the learning from the consultation and to discuss the proposed tendering methodology for the Café.
- 11 September 2019 – Taking into account the Queen’s Park Consultative Group’s feedback, the Superintendent will seek Members of the HHHWQP Committee’s agreement for the proposed tendering methodology. The report will also set out the proposal for Members of the Hampstead Heath, Highgate Wood & Queen’s Park Committee to grant delegated authority to the Town Clerk (in consultation with the Chairman and Deputy Chair of the Committee) to award the lease, following the completion of the tendering process for the Queen’s Park Café.
- 16 September 2019 – Commence the Tendering Exercise (6 weeks), in parallel with that for the Highgate Wood Pavilion Café.
- 3 October 2019 – Temporary catering arrangements to be provided at Queen’s Park. This will be subject to a procurement exercise and Members will be updated on the proposals for this in September.
- October 2019 – City Surveyors to complete planned Cyclical Work Programme works.
- 28 October 2019 – Tendering period closes. Commence tender validation and evaluation.
- 22 November 2019 – Tender evaluation report published for the Queen’s Park Consultative Group.
- 4 December 2019 – Convene a special meeting of the Queen’s Park Consultative Group to discuss and provide feedback on the catering concept and menu offer of the highest-scoring bids, including menu pricing. This information will be anonymised.
- 6-12 December – Superintendent and Queen’s Park Manager will conduct interviews with the highest bidders.
- 18 December 2019 – Complete Tender Evaluation Report and submit to the Town Clerk.
- 20 December – Delegated authority to the Town Clerk (in consultation with the Chairman and Deputy Chair of the Committee) to award the lease.
- January 2020 – Lease agreed; lease mobilisation agreed.
- January/February 2020 – New tenant carries out works prior to the opening of the premises.

## **Corporate & Strategic Implications**

12. Highgate Wood & Queen's Park, Kilburn is a registered charity, for which the City of London is the Trustee. The purpose of the charity is the preservation of Highgate Wood & Queen's Park for the exercise and recreation of the public. The HHHWQPC manages Queen's Park on behalf of the City of London and must take decisions in the best interests of the charity.
13. The provision of Café facilities provides income that contributes to the maintenance of the open space, and the Café must be let on the best terms that can reasonably be obtained for the charity, in order to comply with the duties of the Trustee. However, the Café is also fundamentally part of the experience provided to users and the HHHWQPC may consider the wider social and environmental benefits that it brings to the open space.
14. In letting the Queen's Park Café under section 6 of the City of London Corporation (Open Spaces) Act 2018, Members must have regard to the desirability of ensuring that the service or facility is provided to a satisfactory standard throughout the duration of the lease. Before granting a lease, the HHHWQPC must consult such persons or bodies as it thinks appropriate. Part II of the Landlord and Tenant Act 1954 (which provides security of tenure for commercial tenancies) does not apply.
15. The letting of the Café at Queen's Park contributes towards the achievement of the three aims set out in the City of London Corporate Plan 2018-23: Contribute to a flourishing society, Support a thriving economy and Shape outstanding environments, in particular the following Corporate Plan outcomes:
  - (4) Communities are cohesive and have the facilities they need.
  - (5) Businesses are trusted and socially and environmentally responsible.
  - (10) We inspire enterprise, excellence, creativity and collaboration.
  - (12) Our spaces are secure, resilient and well maintained.
16. It also meets the three objectives and outcomes set out in the Open Spaces Business Plan 2018-19: (a) Open spaces and historic sites are thriving and accessible, (b) Spaces enrich people's lives and (c) Business practices are responsible and sustainable.
17. A communications plan will be prepared to keep visitors informed throughout the tendering process.
18. The rental income received from the letting of the Café will be reinvested in the management of Queen's Park.

## **Property Implications**

19. The current lease to ULG was awarded on a 60% quality, 40% price basis, and decisions on the evaluation criteria for the award of the new lease will be governed by the consultation exercise detailed at paragraph 11 above.

## **Financial Implications**

20. Due to the early termination of the lease there will be a loss of café rental income over the winter period. A temporary catering offer will help to address the reduction of income. However, further income generation opportunities will be sought along with local risk efficiencies and savings.

## **Conclusion**

21. The unexpected withdrawal of the current leaseholder of the Queen's Park Café provides the opportunity to repeat the tendering process along previously successful lines, with the opportunity of a longer-term lease now being offered allowing greater continuity of service, investment in the facilities and development of the business.

## **Appendices**

- None

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