

Catering |

Food for thought

- Have *separate metering* for your kitchen energy use
- Audit *waste levels* and set a strategy for reducing them
- Work with your contractor to *develop your commercial proposition* and returns

Ten top tips for managing your catering contract, post-lockdown

There's no doubt that the past two years have been challenging for catering contractors operating in the independent education sector. Here, *Carla McKenzie*, managing director of MYA Consulting, offers some tips to ensure that you can offer the very best food without breaking the bank.

▲ Your contractor can support your school's charitable status and contribution to social value for the community for example by arranging cookery schools for partnering with state schools

The catering provision has had to adapt to cope with lockdowns, bubble catering, teams self-isolating, pupils self-isolating, supply chain challenges and a dwindling supply of qualified and available chefs and hospitality staff. Budgets have been rising due to increased energy costs and supply challenges and there has been a notable increase in contractors requesting contract variations and – inevitably – increased payments. The independent education sector currently

has some 60 percent of its catering operations outsourced and 40 percent in-house. Before looking at our top ten tips for managing your contractor I think it's fair to say that many in-house operations have been experiencing similar challenges.

Tip one, attract and retain top talent

People are at the heart of a successful school catering operation. If your contractor has put a great team in place, it's worth working with them to reduce risk of flight!

1. Benchmark salary levels and pay rates regularly – they are currently rising steeply.
2. Ensure that there is a continuous career development and training plan in place to encourage your team to stay.
3. Consider and recognise what you, the client organisation, can do to support staff retention. For example:
 - increased holiday entitlement;
 - performance bonuses;
 - dining out budgets for the brigade; and
 - great, well-equipped kitchens.



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Tip two, work with your contractor for strong commercial outcomes

The catering industry is riddled with layers of discount earnings for contractors, based on supply chain volumes. These earnings compensate for capital investment made by contractors into the school catering infrastructure and compensate for the low management fees typically earned in the sector.

A lack of transparency regarding these earnings can often lead to substantial amounts of time being spent by the busanral team or their consultant forensicly analysing and benchmarking whatever sums the contractor may be making from the contract.

1. Work with your contractor to agree a benchmark basket of goods that can be checked monthly.
2. Consider a Quenelles benchmark¹, which will give a broader market view.
3. Agree by open and transparent negotiation with your contractor what is a fair earnings ratio for your contract.

Tip three, review your services
Is every service required every day? In independent schools, many additional

services have grown out of custom and practice. They can often be labour-intensive and costly. For example:

- coffee served by catering staff in the common room;
- homemade cake and biscuits served at every meeting; and
- too many choices on the core catering offer – this can spread the labour model thinly and result in 'menu fatigue'.

Bear in mind that typically, your contractor will benefit financially from providing all these additional services.

Tip four, keep the energy costs down and the planet happy

The amount of food wasted across the catering sector the contractor will be provided with as much energy as they require, very few contracts contain any key performance indicators (KPIs) with regard to energy use to limit the costs to the school. With energy costs set to rise dramatically, it's time to work with your contractor and consider some of the following actions:

1. Separate metering for your kitchen energy use, so that remedial action can be taken if required. For example, historically, kitchen equipment could be slow to heat.

It was therefore standard practice for all cooking equipment to be turned on by the first member of staff to arrive and turned off by the last one to leave. This is no longer necessary, but is sometimes still a habit.

2. Work with your contractor to evaluate energy use in any given recipe. For example, cheaper cuts of meat will typically require a long, slow cooking period compared to more expensive ones.
3. Review your kitchen equipment to make sure it's energy-efficient.

Tip five, managing waste

The amount of food wasted across the sector is generally high. It can be challenging to manage an offer that is free at the point of delivery so, work with your contractor to audit waste levels and set a strategy for reducing them.

- poor production planning in the kitchen leads to over-production;
- pupils don't eat unpopular dishes on the menu;
- over-portioning on plates leads to waste; and
- insufficient time for pupils to eat results in additional waste. ➡

▼ Over-portioning on plates leads to waste



Here are some areas to consider with a view to reducing waste (this is by no means exhaustive):

- make full use of ingredients, for example, by making soup; and
- poor communication can lead to over-production. Typically, we see high levels of food waste at term teas, weekend services, or simply when someone has forgotten to tell the caterer that a class is out for the day.

Tip six, regularly review your contract and update your specification

In the catering sector, contract terms are generally anywhere between three and seven years. In an environment where there are so many dynamic external factors it is essential that contracts are reviewed to ensure they are still relevant and fit-for-purpose. This will keep both your organisation and your contractor striving to ensure that the service levels develop throughout the lifecycle of the contract.

Tip seven, externally audit your contract

Seek to identify opportunities for contract performance improvement and to support and encourage the development of innovative approaches. Such a review can also provide financial peace of mind for school leaders and governors that good value is being provided. Given that catering is often the second largest spend on the school budget after salaries, it is usually a check that is well worth making.

Tip eight, review the contribution to your local economy

Work with your caterer to discover their procurement spend into local businesses. This is not only great for your school and the community it is based in, but also good for the planet.

Tip nine, use your contractor's broad knowledge and expertise

Many contractors have operations based in commercial events



businesses, visitor attractions and retail environments. With the third stream of commercial income becoming increasingly important to schools, look to work with your contractor to develop your commercial proposition and returns.

Tip ten, value your contractor to optimise social value

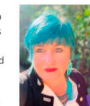
The most successful contractual relationships are undoubtedly those in which there is strong respect, a high level of professionalism and financial transparency. Your contractor can also support your school's charitable status and contribution to social value for the community. These can be wrapped into your contractual agreement. For example:

- cookery schools for partnering with state schools;

- food surplus distribution to the vulnerable;
- carbon footprint awareness;
- local procurement;
- local staff employment; and
- holiday hunger clubs.

▲ Ensure that there is a continuous career development and training plan in place to encourage your team to stay

1. Independent food price benchmarking service



Author
Carla McKenzie
Managing director of MYA Consulting

www.mya-consulting.co.uk