

AN OPPORTUNITY TO LEASE THE CAFÉ/RESTAURANT AT THE ISLES OF SCILLY AIRPORT

CLOSING DATE FOR SUBMISSIONS – Midday 15th May 2015

An exciting opportunity to lease a newly refurbished café/restaurant facility at the Isles of Scilly Airport on St Mary's.

An Overview

The Isles of Scilly Airport has recently undergone a major investment programme, which includes the renovation and upgrading of a new passenger terminal and café/restaurant facility.

The newly refurbished and modernised terminal includes a seating area for approximately 200 passengers, an indoor seating area for the café/restaurant for approximately 40 passengers, an outside patio area, interactive screens and internet connectivity. The building is fully accessible for customers and staff with reduced mobility.

In 2014 the Airport attracted 90,944 passengers of which 45,869 were departing passengers. The Airport is predicting around 97,500 passenger journeys for the coming financial year. Business could be further boosted by the café/restaurant attracting its own customer base both during and outside airport operating hours.

Currently, the Airport operates 6 days a week from 0830 to 1830 in the summer and 0830 to 1700 in the winter, although times may be extended to cater for delays and rescheduled flights. On occasions during the visitor season, the Airport also operates on a Sunday when there have been delays in flying due to poor weather conditions. In the future, the intention is that the Airport will operate a 7 day week, certainly during the visitor season.

Vision

Our vision is that the Isles of Scilly Airport café/restaurant offers delicious food and drink that meets the highest standards of quality, freshness and taste, whilst providing outstanding service and value.

An Exciting Opportunity

We are looking for a tenant to operate the café/restaurant that aligns with our vision so as to provide an enjoyable and memorable experience for customers using the Airport. To make the most of this exciting opportunity, businesses are invited to apply for the lease to operate the cafe/restaurant with the expectation that the successful tenant will strive to meet the following standards of service:

- the delivery of a customer focussed and quality catering service that is courteous, friendly, prompt, and professional;
- selecting, ordering and developing a full range of products relevant to the customers within the Airport with the provision of an interesting, varied and well produced range of good quality and tasty food (including hot, cold main meals & snacks, cakes, deserts etc) and drinks (including hot & cold beverages and non-alcoholic/alcoholic

drinks*) with the use of home-made and local produce wherever possible that will make it a popular establishment for both passengers and the community in general (*Note: The Council hold the alcohol licence for the Airport);

- undertaking an innovative and imaginative approach to the delivery of the service, including catering for events outside the operating times of the Airport (subject to the agreement of the Airport management) and offering the sale of other quality merchandise relating to the Isles of Scilly to take away from the premises such as artwork, books, crafts, drink, food and other souvenirs;
- complying with all appropriate food hygiene and food standards legislation with food and drink stored, prepared, cooked, presented and served in a hygienic manner at appropriate temperatures for safety and eating/drinking quality;
- the delivery of a sustainably sound business that minimises the impact on the environment through the prudent use of resources and minimisation of waste and use of products that minimise food miles;
- ensuring the availability of the necessary staff with the requisite skills and qualifications to provide a consistently good quality level of service;
- providing suitable display/promotional material to advertise the range of food and the prices of items that are on sale every day. Consideration should be given to providing large print menus and prices to enable customers to easily read the menu content. More permanent promotional advertisements and displays must be agreed in consultation with the Airport Management;
- providing all consumables, including food provisions specific to the operation of the catering outlet only. Such examples may include hand soap, tea towels, paper towels; first aid supplies for catering staff; cleaning materials for daily needs; napkins; sauces and condiments; food wrappings and containers where appropriate;
- implement an appropriate system of quality control and inspection procedures, which embraces all aspects of the catering operation including, but not limited to cleaning standards; incoming ingredients and food & drink stuffs to ensure goods are free from damage and pest infestation and within their stated expiry dates; cooking and preparation practices; storage; production; end product temperature; staff hygiene standards and finished product standards;
- ensuring payments by customers can be made using a bank card and not just by cash.

Cafe/Restaurant Specification

The café/restaurant kitchen is designed to cater for approximately 40 covers at any one time. The kitchen and server area is approximately 35 square metres. The premises will be leased with a fully fitted kitchen to commercial standards and includes an electric cooker,

electric hob, extraction system, fridge/freezer, sink, serving area and worktop. Tables and chairs will be provided inside the terminal but also for the outdoor area. The tenant will be responsible for providing small kitchen appliances, cutlery, crockery, etc. The tenant will have non-exclusive use of the commercial seating area containing tables and chairs and the outdoor patio area.

Opening Hours

The cafe/restaurant must be open at all times when the Airport is operational (both during core times and in the event rescheduled flights due to cancellations and delays). The core hours may vary from time to time at the discretion of the Council of the Isles of Scilly to cater for rescheduled flights. Currently the scheduled opening times are for a six day a week as follows:

Summer: Monday – Saturday, 08:30 – 18:30

Winter: Monday-Saturday, 08:30 to 17:00 (Nov - mid Feb Saturday mornings only).

In addition to operating outside the above hours, on occasions the Airport also operates on a Sunday when there have been cancellations and delays in flying due to poor weather conditions. In the future, the intention is that the Airport will operate a 7 day week, certainly during the visitor season – again the cafe/restaurant must be open on a Sunday when the Airport is operational.

To take advantage of the newly modernised and refurbished premises, the opportunity exists to increase the customer base of the cafe/restaurant to attract those not travelling to other destinations by providing a high quality facility and service. The opportunity could also be taken to open up the facility outside the operating times of the Airport, including catering for events such as concerts and private parties etc subject to the agreement of the Airport management.

Services:

Mains water, drainage and electric are provided to the premises. Services will be charged separately.

Lease:

The cafe premises will be offered on a 3 year lease with a Tenant's right to break following 6 months notice after the first year of operation. A summary of the main terms of the lease is attached.

Viewing:

The new terminal and café / restaurant can be viewed by prospective parties strictly by appointment with the Airport management.

Method of Applying for the Lease

Interested parties are invited to submit the following information for the lease of the cafe/restaurant:

1. The proposed annual rent over a 3 year period – this can be expressed as either a flat rate, a % of the annual profit or a mixture of the two.
2. A business plan that includes information on how each of the following will be achieved:
 - a. the measures to deliver a customer focussed and quality catering service;
 - b. the provision of an interesting, varied and well produced range of good quality and tasty food and drinks with the use of home-made and local produce wherever possible (sample menus and price lists could be included);
 - c. the methods to implement an innovative and imaginative approach to the delivery of the service;
 - d. the processes to ensure compliance with food hygiene and food standards legislation, including quality control and inspection procedures;
 - e. the measures to deliver a sustainably sound business;
 - f. the measures to ensure the necessary staff with the requisite skills and qualifications are available to provide a consistently good quality level of service (a CV specifying the background and experience of the business and key personnel could be included).
3. Appropriate references (at least 2).

After submission of the above information, parties may be invited to discuss proposals in more detail. Parties submitting an offer will be notified whether they have been successful within 15 days of the Closing Date.

Contact:
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Airport Accountable Manager
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ISLES OF SCILLY AIRPORT – CAFE/RESTAURANT LEASE

HEADS OF TERMS

Landlord: Isles of Scilly Council.

Demise: As shown coloured yellow on the attached plan.

Fit Out: The premises are provided with an electric cooker, electric hob, extraction system, fridge/freezer, sink, serving area and worktop and non slip vinyl floor.

Inventory: The Tenant will be responsible for the day to day maintenance of the equipment supplied by the Council and for ensuring the premises and kit and equipment are well maintained and kept in a good condition in accordance with the service and maintenance requirements of the manufacturer.

Access: All necessary right of access to be granted.

Rent: Subject to tender. The annual rent will be inclusive of costs in respect of buildings insurance, use of common areas and facilities. The rent to be paid quarterly in arrears. Rent reviews will be annual in an upward direction only.

Term: 3 years with an option to extend for an additional year and with an agreed fitting out period prior to the start date. This lease will be excluded from security possessions under sections 24-28 of the Landlord and Tenant Act 1954.

Use: The premises shall be used as a café/restaurant.

Hours of opening: The café/restaurant shall be open during the opening hours of the Airport (both core times and extended opening times to cater for delays and rescheduled flights) at other times when the Airport is closed following the agreement of the Airport management.

Statutory Regulation: The tenant shall comply with all statutory regulations and standards applying to the use of the premises as a cafe/restaurant, including food hygiene and safety, general health and safety, human resources and fire.

Outgoings: The tenant will be responsible for all outgoings and business rates in respect of the cafe/restaurant.

Utilities: Electricity, water and telephone supplies will be sub-metered and costs will be recharged accordingly. There will be a telephone point for incoming calls and calls on the internal network.

Repairs: The tenant will be responsible for maintaining and repairing the internal parts of the premises, including the internal windows and doors, to ensure that they remain in good decorative order and repair. The Landlord will be responsible for external and structural repairs and for the repair and maintenance of all electrical items supplied by the Council. However, the Tenant must use all of the electrical items responsibly and be responsible for the its daily cleaning and maintenance and shall be liable to any damage resulting from negligence.

Cleaning: The tenant will be responsible for cleaning the kitchen, store room, toilet and wash room, counter and seating areas of the cafe/restaurant (both indoors and outdoors) and must be compliant to all current cleaning legislation and industry guidelines on hygiene and health and safety, and so as to ensure an attractive, high quality cafe/restaurant environment for staff and visitors. Cleaning shall include cleaning and sweeping of the following on a day-to-day basis the kitchen and dining room floors (both indoors and outdoors); staff toilet; service counter and work surfaces; dining tables and chairs; kitchen utensils, crockery etc ; equipment and appliances as provided; and walls (up to 2 metres) in the kitchen and storage areas.

Alterations: Not permitted without the consent of the Landlord.

Alienation: The Tenant will not be permitted to assign or sub-let the Lease.

Signs: The Tenant may erect appropriate signs and advertisements following agreement in writing by the Landlord.

Insurance: The Landlord to be responsible for buildings insurance. The Tenant will need to obtain its own contents insurance, including Insurance for loss of stock due to power/equipment failure. The cafe operator to hold minimum Employer's Liability of £5m for each and every claim and minimum Public Liability of £5m for each and every claim.

Indemnity: The Tenant shall maintain public liability, third party insurance and employers' liability at a minimum of £5m in respect of each and every claim. A copy of such cover will be provided prior to completion of the Lease and yearly thereafter.

Break Clause: The Tenant may break the Lease on 6 months' notice in writing to be served at any time after the first 12 months of the lease. The Landlord may break the Lease in the event that there is a material breach of the Service Agreement or by giving 6 months notice in writing.

Costs: Each party to bear its own costs.

Health & Safety: All staff must be fully trained, with sufficient staffing levels maintained at all times. The cafe/restaurant operator must comply with all Health & Safety legislation and regulation, including food hygiene and food standards standards as well as the safety management system in operation at the Airport and to meet the requirements of the Civil Aviation Authority.