

Resolution of Council

20 February 2023

Item 6.6

Exemption from Tender and Contract Variation – Catering Services – Compass Group (Restaurant Associates)

It is resolved that:

- (A) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 for the management of the City’s Catering Services to extend the term of the existing contract up to 12 months (to 2 July 2024), by reason of extenuating circumstances, noting that the City took the necessary time to assess the challenging market post pandemic and review the catering services model to ensure long-term viability;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders because:
 - (i) additional time is required in order to undertake and finalise the tender process in a market that continues to change rapidly; and
 - (ii) the extension of term to the existing contract will allow a planned transition period should a change in supplier occur as a result of the tender process;
- (C) Council approve a contract variation with Compass Group B&I Hospitality Services Pty Ltd (Restaurant Associates) for Catering Services to extend the contract by up to 12 months to 2 July 2024 on the terms set out in Confidential Attachment A to the subject report;
- (D) Council note that the financial arrangements under the previous contract were temporarily modified by the Chief Executive Officer in 2020 in accordance with the City's Covid-19 recovery response to accommodate the effects of the Covid-19 pandemic, and were approved by Council in 2021 to vary the financial terms of the contract, and extend the contract for an additional two years based on these varied terms as further detailed in Confidential Attachment A to the subject report;
- (E) Council note the financial implications as further detailed in Confidential Attachment A to the subject report for the period 3 July 2023 to 2 July 2024; and

- (F) authority be delegated to the Chief Executive Officer to finalise negotiations and enter into any necessary documentation to give effect to the resolutions above.
- (G) Council consider that the future tender process for future catering services:
 - (i) seeks to identify caterers who can accommodate a diverse range of catering cost options hirers, particularly low cost options; and
 - (ii) enables future hirers options not to use the caterer contracted by Council, where:
 - (a) using the Council contracted caterer would act as a significant barrier to not for profit or community groups' ability to hire Council spaces; or
 - (b) would not be culturally appropriate.

The amended motion was carried on the following show of hands –

Ayes (8) The Chair (the Lord Mayor), Councillors Chan, Davis, Ellsmore, Gannon, Kok, Jarrett and Scully

Noes (2) Councillors Scott and Weldon*

*Note – Councillor Weldon abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillor Weldon is taken to have voted against the motion.

Amended motion carried.

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