



Showcasing excellence

UNIVERSITY OF MANCHESTER

In 2015, Alliance Manchester Business School awarded its contract to the University of Manchester's in-house catering department after more than 20 years of using private sector caterers. Despite taking over at an extremely challenging time – in the midst of a major redevelopment – the university's team has demonstrated how in-house teams can deliver unrivalled value, innovation and flexibility



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THE BUSINESS CASE FOR KEEPING THINGS IN HOUSE

In the space of little more than a year, the University of Manchester's catering department has taken a heavily subsidised operation and made it break even while improving standards and opening new outlets. It's expected to soon be turning a profit.

But Alison Shedlock, head of hospitality and events, reckons that was the easy bit compared with the bigger, longer term challenge of convincing the world's leading business school to entrust its catering to her team.

Alliance Manchester Business School (MBS) is part of the university and its buildings sit among the vast complex of higher education sites along the city's Oxford Road. However, its independence and distinct identity have been important to its success over the years. That's reflected in its decision to use contract caterers for more than 20 years rather than use in-house provision.

'The business school had always had

a view that they wanted something a bit more corporate and less student-led,' explains Alison. 'That's understandable – they have got to have their own identity and need to appeal to the corporate market.'

'A lot of their feeding was not just undergraduates but also MBA students, people coming in from the corporate world. They wanted a different offer to match the sort of thing you'd get in the City or corporate banking. As a result, they were always resistant to using the in-house catering which was seen as the student feeding body.'

But when plans began to emerge for a £60m redevelopment of the business school, Alison saw an opportunity. The existing catering contract had to be revisited to allow for sites closing down and some provision would need to be curtailed.

She approached the business school in 2014 and offered to run its main

restaurant for two years until it was closed as part of the redevelopment.

'It meant they wouldn't have to tender and that saved management time,' says Alison. 'They could treat it as a two-year project and at the end of that period if they wanted me to support a tender to outsource then I would do that. But if it's worked then it will save them time and we can deliver an in-house operation.'

The head of administration for the business school took me up on it.'

One of the university's strengths was it had spent the previous five years building up provision in areas outside the traditional student catering, such as more public-facing operations including a hotel and high end restaurant. But it could also offer flexibility at a time of huge upheaval.

An initial obstacle was the fact that business school had a strong allegiance to the existing 25-strong catering team, many of whom had been working there



SPEND THROUGH TUCO FRAMEWORKS 2014-15

Total expenditure

£3,925,133.66

Cash savings

£371,444.40

Process savings

£12,000

TUCO annual subscription

£160

Total net savings

£383,284.40

ALLIANCE MANCHESTER BUSINESS SCHOOL

Largest campus-based school in the UK

Catering turnover of
£600,000 per annum

Serves around **500** of
meals every day

5 cafes plus an
extensive hospitality
operation for meetings,
events and functions

Within MBS, there are:

6,500 students

500 academic, teaching
and support staff

18 catering staff
(11 full-time / 7 casual)

for a number of years. In January 2015 a meeting with staff was held to explain the plans. While a handful decided to leave, the majority were TUPE-ed over to the university's special purpose vehicle for catering operations, UMC Ltd.

The team needed to be restructured to implement the university's ways of working and account for the upheaval ahead while the redevelopment was underway.

'The business school felt an allegiance to them and some of these staff could potentially have lost their jobs,' Alison explains. 'One of the bonuses of them coming over to my team is we could conduct a restructure that was fit for purpose and move people who didn't fit in to other parts of the business. It meant we kept them in the university family.'

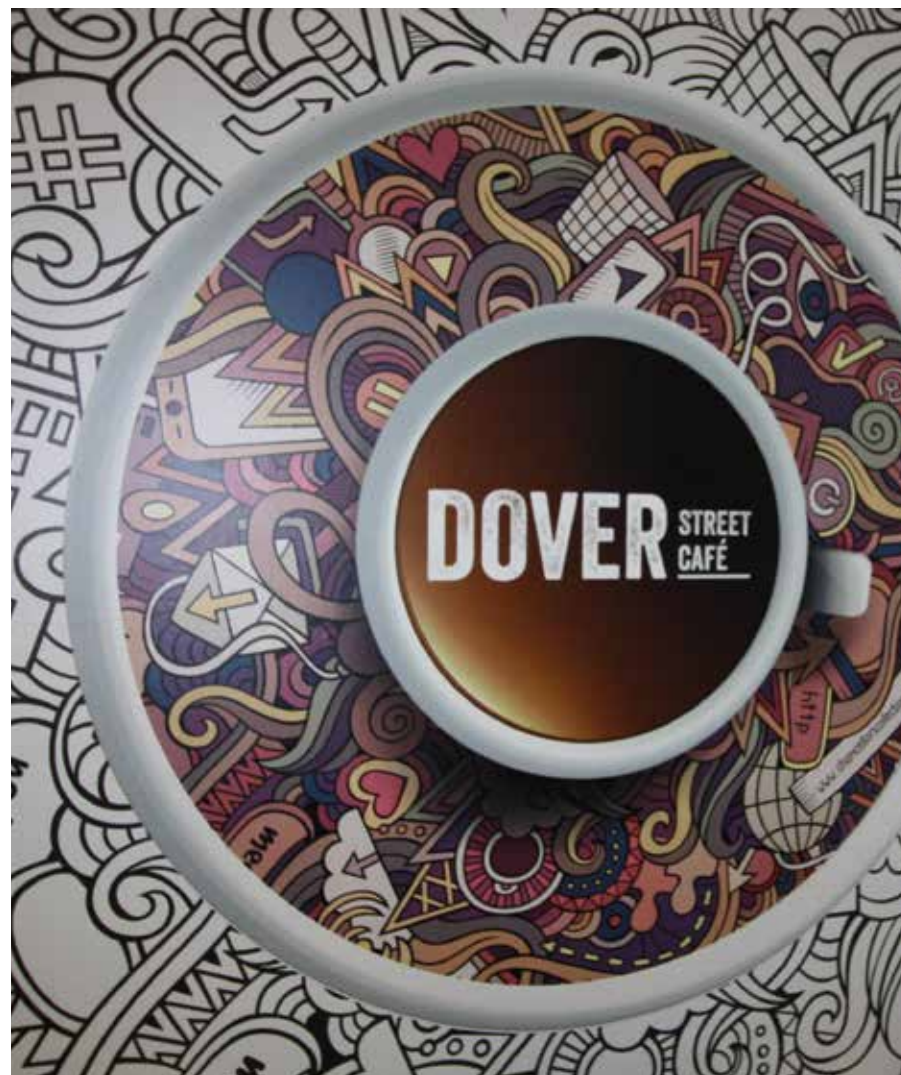
The business school's new facility is due to open in September 2018 and the catering team, overseen by operations manager Adam Woof, has had to adapt to ever-changing circumstances. Within weeks of taking over, the school's hotel closed – a new hotel is currently

taking shape – meaning breakfasts and catering for executive training ceased. While the catering team was originally located within the business school's two buildings it's now spread over three sites.

Students and staff are being decanted to a temporary home on nearby Dover Street in preparation for demolition – leading to the opening of the Dover St Cafe.

'Our sites are all over the place at the moment because of the redevelopment and that can make things difficult,' admits Adam. 'But Dover Street is an example of how we can move fast to cater for the changes,' says Adam. 'There are around 200 staff and students there at the moment and there are more to come. We'll open longer hours to reflect the nature of the courses – some don't finish until 8pm. A lot of them are postgraduates so they don't tend to go off campus so much.'

As a former student of the business school himself, Adam has a feel for what works and what doesn't. At the MBS East building entrance hall there's



'The relationship between my department and the business school is much improved and feels more relaxed. We are more reactive and flexible than a contract caterer and when they ask us to do things it's not an add on, it's part of what we do.'

– Alison Shedlock,
head of hospitality and events

THE UNIVERSITY OF MANCHESTER IN-HOUSE CATERING OPERATION

23 cafes,
1 Starbucks franchise,
5 restaurants,
1 convenience store

Annual turnover:
£14m (not including conferencing)

Average spend: **£3.60**

Income growth for current year: **5%**

Sells in excess of **£1m** of Fairtrade hot drinks per annum

More than **150** vending machines on campus dispensing over **100,000** chocolate bars a year

On campus there are:

26,725 undergraduate students

11,865 postgraduate students

11,000 staff

a serving hatch-cum-kiosk that's now closed. "When I was a student here there was a little café where that hatch is. I think I could count the number of times I used it on one hand. When we took over it was taking £40-50 a day and was losing money so we closed it." It will be reborn as a Costa Café with new seating and livery.

Upstairs there is another café and a restaurant. On the latter, Adam concedes: "I didn't even know I could go there as a student!" Better signposting, branding and menus are all on their way to make them more welcoming to staff



and students.

Discussions are also underway to run graduation receptions and other functions for the business school, an area that had traditionally always been outsourced.

Adam began working for the business school's catering team while he was a student and himself experienced being TUPE-ed over to UMC Ltd. He remembers it being 'a bumpy ride that worked out really well in the end' and believes the fact that he'd been through the process helped when it came to transferring staff over to the in-house team.

Alison and Adam both describe their overriding task over the last few months as one of winning hearts and minds. The in-house catering team already had a track record in providing high end catering rather than purely student feeding but sometimes an image sticks.

They are now more than halfway through the original two-year period of running the business school's catering services. A measure of their success to date is the fact that outsourcing isn't even up for discussion.

"By taking over when we did, we saved them a lot of work at what could have been a difficult time. Because we're all part of the university we understand the culture here. The previous caterer did a good job in terms of quality but it was quite a heavily subsidised contract. Now it's at break-even point and we're paying staff the UK Living Wage of £8.25 an hour or above so it's also better for them.

'I think the staff are much happier, they feel much more a part of the

'I have a lot more responsibility now and it wouldn't have happened unless the catering had been taken in house. There are a lot more opportunities and training and there's a really supportive atmosphere.'

– Clare Bellis, hospitality supervisor

university and they know they have an employer that cares about them. Their senior management were off site before whereas now they seem me and Adam regularly because we're based here.'

The new operation is a win-win for all concerned. UMC Ltd charges a fee to the business school and also takes a commission on sales – if there's surplus it benefits the business school, generates income for UMC Ltd and subsequently the university as a whole. It's a good fit with the university's 'keep it on campus' campaign to lock-in as much spend as possible.

There are economies of scale gains to factor in too with greater spend through TUCO frameworks as a result of running the business school's outlets.

Alison adds: 'From my perspective, with the exception of cultural assets, everything within the university is now run by my department, therefore we have an overview of all catering. If we want to develop brands we can do it knowing what's going on everywhere.'

The other sure sign of a satisfied customer is the fact that the in-house team are now heavily involved in designing the catering outlets for the business school's new state of the art building. Taster sessions are planned with staff and students to get their feedback on the menus and concepts being developed for the new campus.

'The relationship between my department and the business school is much improved and feels more relaxed. We are more reactive and flexible than a contract caterer and when they ask us to do things it's not an add on, it's part of what we do.

'They are much happier to use us for all sorts of things. The business school used to do their own thing for graduation – now they are starting to use our facilities and staff. It's a hearts and minds issue and we're winning them over.'

MAKING THE SWITCH FROM CONTRACT CATERERS TO IN-HOUSE STAFF

Business school catering staff were initially anxious about moving into the university's in-house operation but they're now excited about the future

'It's better pay, better holidays, more benefits and a better pension. The atmosphere is better too.'

Clare Bellis, hospitality supervisor, sums up succinctly her thoughts on life since her job was transferred from a contract caterer to the university's catering department.

She admits it was 'daunting' when news of the switch surfaced but once the changes were explained at a meeting with managers any doubts ebbed away.

And having previously been a coffee shop supervisor, the move has been a rewarding one, she says.

'I have a lot more responsibility now and it wouldn't have happened unless the catering had been taken in house.

There are a lot more opportunities and training. We've got the opportunity to work in other areas of the university if you want to and there's a really supportive atmosphere.'

Sandra Caveney-Hall has seen many different contract caterers come and go during her 28 years at the business school but says the take over by the university's in-house catering has had the biggest impact.

'Understandably, people were anxious. But I'm of the opinion that you need change because it becomes stagnant otherwise. You can learn through change. 'I've had so many different employers during my time here and each had a different way of

doing things. I've learned so much over the last year and my job has become bigger and I'm in contact with different aspects now.'

Sandra adds: 'I felt valued before but I now feel more valued in the university. Your opinion matters, they are more open to hearing our views. With contract catering you tend to just do as your told.'

For hospitality manager Stacey Scotson, the status of being one of the university staff is all-important.

'I was worried at the start but as it got closer I couldn't wait to be part of the university. You not just an outside sub contractor anymore. We now have more of a working relationship with other university staff.'



TUCO is the leading professional membership body for in-house caterers operating in the higher and further education sector and is used by universities and colleges throughout the UK. We also support in-house catering teams in the wider public sector, including local authorities and NHS trusts.

We are very much the voice of our members—championing excellence, facilitating the sharing of best practice and giving in-house caterers the profile they deserve. TUCO offers a comprehensive programme of subsidised training and events designed to inspire and provide practical insight. It includes the TUCO annual conference, now firmly established as a key date on the university catering world's calendar, and international study tours.

Through the TUCO Academy, run in partnership with in partnership with London South Bank University, we offer training designed specifically to address the professional development needs of caterers in higher and further education.

On top of that, every year we stage a competition designed to showcase and celebrate the depth of talent we have across the industry.

TUCO responds to the changing needs of its members by acting as a forum for networking and learning and ensuring they are kept up to date with the latest trends and analysis via our own research. Membership is open to all in-house catering operations in the higher and further education sector.

If you are not a further or higher education institution, then it is still possible for you to join TUCO. Just contact us to find out more.

OUR MEMBERS RECEIVE SUPPORT AND GUIDANCE FROM TUCO IN FOUR KEY AREAS:



SHARE

TUCO provides a platform where members can combine ideas and achievements to collectively raise the profile of university and college catering in the UK. We also help members to network with other professionals and industry experts, sharing best practice and culinary trends.



LEARN

We offer a wide range of subsidised courses, training, study tours and professional advice, to maximise each member's potential.



GROW

We help our members to keep up-to-date with the latest market research, industry trends and consumer preferences and gain insight into studies on topics affecting the foodservice market.



BUY

TUCO has significant buying power, purchasing £150m of goods and services every year for universities and colleges as well as local authorities and NHS trusts. Members can choose from a variety of EU compliant catering frameworks and a wide range of suppliers.

"In four years, I have seen TUCO grow from a purchasing consortium into a true vehicle for the benefit of university caterers."

—Jeremy Mabbutt, Head of Hospitality Services at Aberystwyth University

For more details of how to join TUCO call **0161 713 3420** or email **info@tuco.org**



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