

## **Actions for Sarah Tattersall, CEO, Students Union (November Student Council)**

Council raised that the SU Shop closed at 4.30pm and that this was not sufficient during term time when they would like to purchase refreshments outside of these hours. Council also asked Sarah to look at vending provision possibilities.

### **Later opening hours**

- Shop SU hours reflected the level of sales during the day. The period 3-4.30pm saw the slowest sales period of the day with Tuesdays and Thursdays (busiest days) generally seeing less than £120 in sales during this time.
- Looking at the cost of sales:
  - Excluding fixed costs (what we'd pay anyway) for the tills, insurance, equipment, accounts/ audit / back office staffing etc.
  - To staff the space would be an additional x2 hours per staff member. Including on-costs this is £9.21 per hour so £18.42 for one staff member
  - We would need to make sales of £58 in these two hours to be at a breakeven point.
  - This is based on a margin of 32%. Some of our products (i.e hot drinks) have a much lower margin so this is an optimistic estimate!
- There are other factors – wastage/theft which must be considered when we get the whole term picture
- We cannot subsidise the shop as the SU are a registered charity.
- Security have confirmed they are happy for us to open later. Given the CCTV/ phone/open Library the 'lone working' element is not an issue.

### **Proposal:**

We are currently running the data for the whole term – so looking at the profitability over the semester and where we might need to make adjustments to product, pricing, hours, staffing etc.

- *I will report back to Student Council in January 2019 giving the full financial picture, publishing this on the minutes page and alerting all course reps*
- *I ask that Student council delegate the decision to ST and Student Officers whether or not to trial x2 late opening evenings for the Shop (Tues and Thursday until 6.30pm)*
- *This process (above) so that we could potentially get late opening in place from Refreshers onwards and not wait for Feb Student Council.*

### **Vending**

- Council raised that there was no vending provision in the Library or Waterfront Building out of hours and that the SU should consider this.
- Proposal – for Sarah to look into costs/agreements
  - We could obtain another coffee machine similar to the ones in the SU shop and have this located in the Waterfront Building (first or second floor) or the Arts Building (ground floor)

- In terms of costing, a coffee machine would be free on a monthly rolling contract BUT we would require current shop SU to maintain it (these could be added to their roles with limited difficulty)
- There is very limited profit on these coffee machines as the cost of sales is high (we'd make around 6p per cup)
- Paddy and Scotts currently have an agreement in place for the ground floor of the waterfront building and for the ( still out of order) vending machines in the library
- Food vending machines (chilled) are more expensive to maintain. I've looked at all NUS approved suppliers (as we currently have a commercial/group purchasing agreement with them)
  - Set up costs of approx. £400
  - Ongoing contractual costs of £200 per month for a 3 year period regardless of volume we sell
  - We are responsible for all wastage costs
  - Margins of around 30-40%
  - Ongoing staffing costs (to restock/clean etc.) which could be factored into current SU Front of House roles

Given our current commercial operation, it is unlikely that the Trustee Board would approve the level of risk involved in food vending. These contracts are significant in cost and duration so would require their approval.

## **Proposal**

- *ST to ask estates for full contractual information regarding Paddy and Scotts and their vending agreement to inform future direction. It is likely that vending in the Library and/or ground floor waterfront would have more footfall and therefore higher sales/ less wastage*
- *As previous proposal, ST to review full picture of SU Shop for January and, with this information report back to Student Council on the feasibility of vending and putting a proposal to Trustee Board*