



Chichester City Council

MARKET ANALYSIS REPORT to PROPERTY & FINANCE COMMITTEE from JAMES BRIGDEN, PROJECT MANAGER Date: 19/09/2024

UPGRADING THE COUNCIL HOUSE KITCHENS AND BAR FACILITIES

Executive Summary: The objective of this market analysis is to outline the current market environment for venue hire in the city and wider area. The report is to compliment the strategy for upgrading the kitchen facilities at our venue to commercial standards. This upgrade will enable caterers and bar teams to provide a higher level of service, complying with health and safety regulations, and meet the growing demand for high-quality catering services at events.

Customer need:

The council is receiving a good number of enquires for venue hire with catering standard facilities and to date we have lost some bookings and made compromises to retain business. There are also enquiries on hold for future events dependant on the quality of catering facilities. Approximate potential and lost revenue in brackets.

Clientele lost:

- Conservative Association have gone to Rugby Club due to catering facilities. (£249)
- Wheelbarrow Club have gone to Rugby Club due to catering facilities. (£249)
- Wedding party would have liked to hire Assembly Room for reception but costs for caterers to ship in equipment made it not financially viable. (£1,300)

Adaptations made:

- Wedding reception (Outside BBQ and internal electric griddle cooking)
- Wake (Delivered buffet)
- 16th November – Wedding reception - Delivering buffet due to lack of facilities
- 3rd December – Mayor's at home - Canape's selected due to kitchen equipment availability

Enquiries:

- 20th December – Staff Party Lewis Brownlee (£250)
- Feb - April – Scottish Reel Dinner and Dance (£250)
- 15th February – Wedding Reception - Awaiting information (£1,300)
- 22nd March – Wedding Reception - Awaiting information (£1,300)
- 24th May – Wedding Reception - Awaiting information (£1,300)
- 14th June – Wedding Reception - Awaiting information (£1,300)

Competitors:

Chichester City and the wider district has a wide array of venue hire services with all offering a mixture of packages that make it difficult to compare. The city alone has approximately 34 venues for hire with none identified as having a commercial quality kitchen. The number of enquires we are receiving demonstrates a need for catering level equipment.

The key consideration is our offer to the lucrative wedding market, we have had an increase in enquiries over recent months due to the renovation of Edes House. The improvement of our catering offer for wedding receptions would add a USP for this market and may help maintain the level of interest in this package.

Our current pricing strategy aligns with our competitors for the space available and the addition of commercial quality kitchen should be charged as an add-on to our venues or included in the cost of a wedding package.

Selsey Town Council has upgraded their Town Hall kitchen earlier this year to incorporate commercial units to cater for demand.

Conclusion:

The installation of commercial quality units and improved ventilation in the downstairs kitchen would allow us to market a USP in a market dominated with domestic quality kitchens. This will open our options and allow the improvement of our wedding, conference and banqueting offers. This project would significantly improve our wedding package and may see us retain the level of interest in our venue for the lucrative wedding market.