



Subject: Vending and Concession Healthy Options Status Report
Prepared by: John Firman, Manager of Business Support
Department: Community Services
Date: March 19, 2019

In accordance with the Procedure By-law, any Member of Council may request that this Information Report be placed on an upcoming General Committee or Council meeting agenda for discussion.

Executive Summary

The purpose of this report is to provide Council with an update on the implementation of the new healthy options menu for recreation facility vending and concession operations, including:

- Council direction provided in 2018 for the issuance of the vending and concession Request for Proposals
- Vending and concessions are meeting the 55% healthy options requirement
- Plain bottled water has been removed from all vending machines
- Appearance of concessions supports the healthy options requirement
- Feedback shows community interest in the healthy food options but sales are down from previous year
- Education and marketing of the healthy foods options is a collaborative effort

Background

Staff submitted Report *CMS 18-003 Request for Proposals for Vending and Concession Operations* to Council for consideration at the General Committee meeting on February 20, 2018. At its meeting on February 27, 2018, Council directed staff to increase the minimum healthy food and beverage options requirement in the RFP to a minimum of 55%, and further directed staff to report back on a number of items raised at the February 20 General Committee meeting.

Staff subsequently submitted Report *CMS 18-005 Request for Proposals for Vending and Concession Operations* to Council for consideration at the General Committee meeting on March 20, 2018. At its meeting on March 27, 2018, Council reviewed a number of items and recommendations from staff and provided direction on how to proceed with the RFP.

Analysis

Council direction provided in 2018 for the issuance of the vending and concession Request for Proposals

Item Discussed	Council Direction
Inclusion of healthy options menu items in vending machines and concessions	Vending machines and concessions in recreation facilities must include a minimum of 55% healthy options.
Inclusion or removal of vending machines at recreation facilities	Vending machines to be included at all locations currently identified for the RFP.
Appearance of concessions	No change to current practice of requiring the concession operator to provide all marketing and promotion in a neat and professional manner.
Inclusion or removal of bottled water	Eliminate plain bottled water, but continue to allow the sale of flavoured and/or carbonated water. (Empty refillable bottles can be made available for sale.)
Education and marketing	Staff to work within existing resources to promote the inclusion of healthy choices by working with facility user groups and York Region Public Health.

An RFP was issued in accordance with the direction received from Council. One proponent submitted a proposal for the vending and concession contract with the Town. The proposal, which was received from the existing operator, was accepted and a new agreement became effective as of September 1, 2018.

Vending and concessions are meeting the 55% healthy options requirement

Council directed that all vending machines and concessions in recreation facilities must include a minimum of 55% healthy options. Staff has worked in consultation with a Nutritionist from York Region Public Health (YRPH) to prepare a sample list of foods and beverages deemed to be healthy choices, and have confirmed that the Nutritionist will continue work with staff to review and approve other vendor-offered choices.

All vending machine content was converted to meet the minimum 55% requirement as of September 1, 2018.

Converting the menu of the concession operations was more complicated and took the operator a little longer. The menu conversion began in September but was not fully implemented at the 55% level until November. Since then, all vending and concession operations have been operating with a minimum of 55% healthy options, in accordance with the information provided by YRPH.

In addition, the concession operator met with the Nutritionist from YRPH in mid-February to review and further refine the healthy options menu items offered.

Plain bottled water has been removed from all vending machines

Council directed that no plain bottled water is to be included in the vending machines. Effective September 1, 2018 all plain bottled water was removed. Subsequently, empty refillable water bottles have been included in the vending machines to help support the use of the water bottle refilling stations in the recreation centres.

Appearance of concessions supports the healthy options requirement

Council directed that staff make no change to current practice of requiring the concession operator to provide all marketing and promotion in a neat and professional manner.

As part of the implementation process, the vending operator prepared and installed updated menu boards in which the majority of items listed are healthier options. Additionally, wherever possible, healthy options have been positioned more prominently on the counters.

Healthier options have been placed in the most prominent (eye level) locations of the vending machines. No other appearance changes were required.

Feedback shows community interest in the healthy food options but sales are down from previous year

Real Food First feedback

Representatives from the Real Food First group have expressed concern that the marketing/promotion of the healthy options in the vending and concessions is not adequate. Specific concerns raised include:

- Although the menu boards have been changed to identify healthy options, the appearance of the boards are the same and therefore the new menu options may not be clear
- The healthy items on display do not significantly distinguishable from the unhealthy items
- More promotion of the healthy items, such as pictures, posters, email communication, etc., is required to promote the healthy menu
- The labelling in the vending machines does not look professional

Community feedback

- Concession customers have expressed curiosity and/or surprise, offering responses like “but it’s a hockey arena” and asking why the focus on healthy options, some finding it humorous
- Customers will inquire as to what the healthy options are, and although the vending operator will try to encourage people to try healthy items, most customers usually opt for the standard (unhealthy) snack items
- When prompted to purchase healthy items, customers often identify that they have already eaten dinner at home or are planning to eat dinner after they leave
- Parents don’t typically make food purchases for themselves, but often state that a snack from the concession is a treat or reward for their children
- Most parents who prefer to eat healthy, tend to bring food with them from home

Operator feedback - Concessions

- Typically, customers are only looking for a small snack rather than a meal
- Most customers understand the societal pressure of increasing awareness/healthy lifestyle but they are really surprised a snack shop/convenience shop like this carries healthy food items

- Meals or larger snacks are more often asked for during tournaments, where more families present are from out of town, but the more popular items remain as fries, hot dogs, and beef patties
- Rather than purchase food, customers bring their own healthy food and will ask the concession operator to microwave it for them to heat it up, which the operator does as a customer service gesture

The concession operator has identified the following best and worst selling products:

Top selling products

Vitamin water
Almonds
Fruit bars
Fruit smoothies
Low fat carrot muffins

Worst selling products*

Hummus & pita (2)
Salads (1)
Tuna wraps (2)
Fruit bowls (0)
Yogurt (2)

*The majority of these items have had to be thrown out. The number in () indicates the total items sold from September 2018 to January 2019 inclusive.

Operator feedback - Vending

The vending operator is only on site to re-stock machines, and therefore has not had any customer feedback. The operator has identified the following best and worst selling products:

Top selling products

Welch's Fruit Snacks
Fig Bars
Made Good Mixed Berry Minis

Worst selling products

Sun Rype Fruit Source Bars

Operator feedback - Sales comparison

The following table shows the decrease/increase in monthly sales comparing 2018/19 to 2017/18:

Month	Concessions % +/-	Vending % +/-
September	- 3%	-32%
October	-15%	-34%
November	-21%	-42%
December	-26%	+6%
January	- 2%	-18%
Average	-14.4%	-32.8%

Education and marketing of the healthy foods options is a collaborative effort

Council directed staff to work within existing resources to promote the inclusion of healthy choices by working with facility user groups and YRPH. As health and nutrition education falls within the mandate of YRPH, the Town does not have any specialized resources in this area, nor is the Community Services Department appropriately resourced to take on a public health education initiative.

Staff consulted with YRPH in the development of the criteria for the RFP and subsequently arranged for the vending and concession operator to work with the YRPH Nutritionist in developing the menu offerings.

The vending machines were updated with labelling to help better identify healthy choices and the concession operator is actively encouraging customers to try items from the healthy options menu.

Staff also notified recreation facility user groups of the change in menu and encouraged those user groups to communicate and promote the healthy options to their members.

In response to concerns raised by members of Council, staff have further engaged members of the Real Food First group who delegated during the 2018 RFP approval process. The Real Food First volunteers will be working with the vending and concession operators directly, to help further promote the healthy options menu.

Advisory Committee Review

Not applicable

Legal Considerations

There are no legal considerations

Financial Implications

There are no new financial considerations at this time

Communications Considerations

Staff in Community Services Department and Corporate Communications are working in cooperation with representatives of the Real Food First group and the vending and concession operators to help promote the healthy menu options.

Link to Strategic Plan

The inclusion of healthy food and beverage options in the vending and concession RFP supports the Strategic Plan goal ***Supporting an Exceptional Quality of Life for All*** through its accomplishment in satisfying requirements in the following key objective within this goal statement:

Encouraging an Active and Healthy Lifestyle: through the offering of healthy food and beverage choices.

Alternative(s) to the Recommendation

Not applicable.

Conclusions

Staff will continue to work with the vending and concession operator, and consult with YRPH and representatives from Real Food First to help promote the healthy options menu and identify the best possible menu offerings that will encourage people to make healthy choices when purchasing food and beverages in Town recreation facilities.

The success of this program is dependent upon the ability of the vending and concession operator to sustain a viable business, enabling them to continue to offer healthy products to the public, and therefore should be supported by the Town to find a suitable balance between offering healthy choices and generating enough sales to maintain business profitability.

Staff will provide a further update in October, 2019, following the completion of the first year of operation under the new terms of the vending & concession agreement.

Attachments

None

Previous Reports

PRCS17-023 Healthy Kids Community Challenge: Healthy Food Options in Community Recreation Centres

CMS18-003 Request for Proposals for Vending and Concession Operations

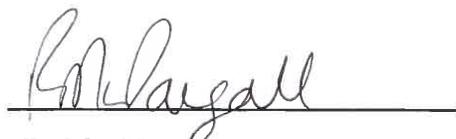
CMS18-005 Request for Proposals for Vending and Concession Operations

Pre-submission Review

Agenda Management Team review on February 27, 2019

Departmental Approval

Approved for Agenda



Robin McDougall
Director
Community Services



Doug Nadorozny
Chief Administrative Officer