

# Instructions for All Bidders and Tender Evaluation Process

**Property:** Old Town Hall, The Shambles, Stroud GL5 1AP

## Background to the disposal

The council has decided to market the long lease for the Old Town Hall, Stroud, whilst retaining the freehold of this valued historic grade II\* listed building for Stroud and the wider area.

Whilst Stroud District Council (SDC) no longer has an operational need for the Old Town Hall it recognises that it is an important heritage asset in the centre of Stroud and that the continued use of the stores for the Shambles market and public access to the hall need to be part of its future use.

The hall (only) is protected within the Neighbourhood Development Plan (NDP) for public enjoyment and community use and was nominated by the Town Council and accepted as an Asset Of Community Value in September 2016 and this sits on the register for 5 years. Whilst the 5 years has now expired, due to the clear strength of feeling locally about the value of the building for the community the council decided to follow the process for the offering of the lease as if it were still on the register. This provides a transparent and useful framework for ensuring the community is consulted and has a say in the future of the building.

This has meant that Expressions of Interest (EOI) have already been sought from community groups to establish whether any of these organisations would wish to bid. Those organisations who have now expressed an interest, along with any private companies wishing to bid, will now be given 6 months from the start of the marketing process to submit a bid for the long lease of the building.

It has been agreed that the assessment of submitted bids will take a 'Best Value' approach considering the wider social, economic and environmental outcomes and that price will not be the overriding consideration.

Throughout the bidding and disposal process, all organisations will be treated equally to ensure a transparent and fair bid evaluation and selection of a leaseholder.

## Tender and evaluation process

The bidding process will commence on 13<sup>th</sup> January 2024 with a return date for proposals by 5pm on 13th September 2024, providing a 6-month timescale for bid preparation.

The evaluation provides a structured process to achieve the best offer received. The evaluation will begin with two pass/fail questions as follows:

Funding	Evidence and analysis of funding, including external grant funding or other external capital funding including the source, certainty and conditionality of the proposed financial offer.	Pass/Fail
Financial credentials of <b>community organisations only</b>	Satisfactory Business Case	Pass/Fail
Financial credentials of <b>commercial business only</b>	Details of the financial credentials of the proposed purchaser, including latest audited accounts and a credit reference;	Pass/Fail

The creditworthiness of the bidders will be examined before any bid is accepted. Any bidder may be rejected if unsatisfactory financial checks are received.

Subject to the bidder passing the first stage, the evaluation will proceed based on both quantitative and qualitative criteria as outlined in the table below:

	<b>Criteria</b>	<b>Description</b>	<b>Weighting</b>
<b>Quantitative</b>	<b>Price</b>	<b>Proposed financial offer</b>	<b>40%</b>
<b>Qualitative</b>	<b>Sustainability – refurbishment</b>	<b>Commitment to the retrofit of the building to improve energy efficiency and contribute towards the Carbon 2030 agenda.</b>	<b>20%</b>
	<b>Sustainability – operational</b>	<b>Contribution to net zero and the sustainability agenda through the operational use of the building</b>	<b>10%</b>
	<b>Delivery</b>	<b>Evidence of track record – similar projects and locations/case studies/testimonials/references.</b>	<b>10%</b>
	<b>Timescales</b>	<b>Proposed timescales to implement proposals (including obtaining planning permission, listed building consent etc.)</b>	<b>10%</b>
	<b>Social Value</b>	<b>Positive social, economic and environmental benefits</b>	<b>10%</b>
<b>TOTAL</b>			<b>100%</b>

### **Evaluation Method**

Each bid must be validated for any potential conflicts of interest and contain sufficient information to demonstrate how the proposal will achieve 'Best Value'. Information not relevant to the Evaluation Criteria will not be considered in the final decision.

It is proposed that an Evaluation Panel is formed to appraise all bids received. This Panel will consist of a range of suitably experienced council officers who will assess each bid against the stated criteria and weightings in a fair and transparent manner.

The recommended preferred bid will be subject to detailed due diligence and legal contract.

Proposals received by the offer deadline will be assessed on the following basis:

The highest price offer will receive the full allocation of marks with other bids allocated marks based on the difference between the highest price expressed as a percentage.

As can be seen from the criteria above, key elements of the evaluation criteria will be the track record of the proposed purchaser, positive contributions to social value (social economic and environmental benefits), and the approach and commitment to sustainability.

The Council has a 2030 Strategy, which sets out ambitious plans for how the council will act as exemplar, enabler and encourager to help the entire district become climate friendly, naturally resilient and carbon neutral by the year 2030. As the current owner of the Old Town Hall, the council wishes to hand over the long lease of this key important heritage asset to an organisation that is committed to assist with the delivery of this plan and ensure the future sustainability of the building. The bidder's approach to retrofitting the building is therefore an important criteria and the commitments made by bidders in the tender process will be reflected in the lease terms.

The council has adopted a Social Value Policy and as a guide for all bidders, SDC will assess the social value based on the themes, outcomes and measures (TOMs) set out below:

Based on National Social Value Measurement Framework – Themes, Outcomes and Measures (TOMs)

THEME	OUTCOME
Jobs: Promote Local Skills and Employment	<ul style="list-style-type: none"> <li>• More local people in employment</li> <li>• More opportunities for disadvantaged people</li> <li>• Improved skills</li> <li>• Improved employability of young people</li> </ul>
Growth: Supporting Growth of Responsible Regional Business	<ul style="list-style-type: none"> <li>• More opportunities for local MSMEs and VCSEs</li> <li>• Improving staff wellbeing and mental health</li> <li>• Reducing inequalities</li> <li>• Ethical Procurement is promoted</li> <li>• Social Value embedded in the supply chain</li> </ul>
Social: Healthier, Safer and more Resilient Communities	<ul style="list-style-type: none"> <li>• Creating a healthier community</li> <li>• Vulnerable people are helped to live independently</li> <li>• More working with the Community</li> </ul>
Environment: Decarbonising and Safeguarding our World	<ul style="list-style-type: none"> <li>• Carbon emissions are reduced</li> <li>• Air pollution is reduced</li> <li>• Safeguarding the natural environment</li> <li>• Sustainable Procurement is promoted</li> </ul>
Innovation: Promoting Social Innovation	<ul style="list-style-type: none"> <li>• Social innovation to create local skills and employment</li> <li>• Social innovation to support responsible business</li> <li>• Social innovation to enable healthier safer and more resilient communities</li> <li>• Social innovation to safeguard the environment and respond to the climate emergency</li> </ul>

Bidders are required to complete the **Bid Submission Proforma** to enable the evaluation criteria to be scored and to provide a consistent approach from all bidders.

**Community Organisations Only** - Business Cases are required from community groups/parish/town councils who submit an offer for the long lease and are proposing to use the property for community purposes. Business Cases will be completed using the Business Case Proforma and will be considered on their merits and a decision made against common criteria in accordance with the following key principle.

- The overriding aim should be the delivery of financially sustainable not-for-profit community-led service/s.

Please refer to related guidance/criteria on submitting a business case.

## **Final Assessment**

On receipt of compliant bids before the tender deadline by 5pm on 13<sup>th</sup> September 2024, a due diligence exercise will be undertaken by the council, Ash Chartered Surveyors (the council's retained property agent), and other specialists to determine a final weighted score for each bid.

All due diligence, particularly the financial credentials of the proposed purchaser(s) will be completed before the Evaluation Panel reviews and moderates the final scores.

Unconditional bids (offers not tied to the grant of planning permission or other requirements) will be considered in the same manner as conditional bids, ensuring due diligence on the financial position and delivery track record of the bidder being considered as part of the assessment process.

## **Clarifications and Shortlisting**

Further clarification, evaluation or negotiation of bids may be required as part of the final bid evaluation process. This could include issues such as planning, timing and the conditionality of proposals require clarification, a shortlist of bidders will be agreed by the Panel on a consensus basis.

## **Final Interview**

The shortlisted parties may be invited to a final stage interview before a Preferred Bidder is selected.

## **Preferred Bidder and Timing**

It is anticipated that a Preferred leaseholder will be identified by 31<sup>st</sup> October 2024.

The final scores, justification for shortlisting and the Preferred bidder selection decision will be recorded for audit purposes.

## **Other considerations:**

1. The qualitative assessment of the delivery / track record of the bidders will use market knowledge provided by the council's retained property adviser. This will include an assessment on a bidder's previous successful purchases, market reputation and their ability to deliver over the required timescales. Bidders should include their relevant track record, case studies, testimonials, and references as evidence to support their bid.
2. SDC is not obliged to accept the highest or any offer put forward and reserves the right to withdraw from the selection and evaluation process at any stage.
3. All information and documents submitted will be treated as confidential and not disclosed, copied, reproduced, distributed, or passed to any other party outside of the evaluation team. The council will avoid conflicts of interest and bidders should note that any actual or potential conflict of interest should be immediately identified.

All enquiries and further information relating to the bidding process, evaluation criteria and site information should be directed to the council's retained property adviser, ASH Chartered Surveyors. Contact Simon McKeag at [simon@ashproperty.co.uk](mailto:simon@ashproperty.co.uk) or Harry Pontifex at [harry@ashproperty.co.uk](mailto:harry@ashproperty.co.uk)