

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Author:	Cabinet Member for the Economy, Regeneration and Skills, and Corporate Director for Communities and Place
Wards:	Lydiard and Freshbrook
Locality Affected:	West
Parishes Affected:	None

1. Purpose and Reasons

- 1.1 The report notes the outcome of the consultation process and makes a recommendation on a preferred bidder to operate Lydiard House and Park to secure a sustainable future for this popular local facility in accordance with Cabinet's resolution (Cabinet Minute 45 2015/16) refers.
- 1.2 This report also seeks to authorise officers to undertake the necessary due diligence and additional negotiations to enable Cabinet and to make a final decision about the future operation of the House and Park in the autumn 2017.
- 1.3 The proposals contribute towards the Council's Vision for Swindon, and particularly, Priority Three: "ensure clean and safe streets and improve our public spaces and local culture".

2. Recommendations

Cabinet is recommended to:

- 2.1 Note the results of the consultation summarised in Appendix 1;
- 2.2 Approve the Lydiard Park Heritage Trust as preferred bidder following the marketing exercise undertaken by Swindon Borough Council to find an organisation to take over the operation of Lydiard House and Park at no ongoing subsidy to the Council, and
- 2.3 Authorise the Corporate Director, Communities and Place, in consultation with the Director of Law and Democratic Services and the Corporate Director, Resources and Transformation to proceed with the next steps to appoint Lydiard Park Heritage Trust as preferred bidder to enter into a Business Transfer Agreement and lease for Lydiard House and Park. This will include further due diligence by both parties, such as the commissioning of an additional independent condition survey to confirm the full extent of backlog maintenance requirements, and
- 2.4 Authorise the Director of Law and Democratic Services in consultation with the Corporate Director, Communities and Place, the Corporate Director, Resources

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

and Transformation, and the Head of Property Assets to complete all necessary documentation to transfer the operation including staff by means of a Business Transfer Agreement and a lease, on such terms he considers appropriate to protect the Council's interests, and

- 2.5 Subject to recommendations 2.3 and 2.4, the Corporate Director, Communities and Place, in consultation with the Director of Law and Democratic Services and the Corporate Director, Resources and Transformation will seek authorisation from Cabinet and Council to proceed with completing the Business Transfer Agreement and Lease once further due diligence has been undertaken and the final proposed terms are known. This is expected to be no later than October 2017, and
- 2.6 Authorise £900k of one-off resources be earmarked on the Council's Balance Sheet to fund the reverse premium of £850k and £50k to cover the costs of any necessary financial, legal or technical advice required to support the conclusion of the negotiations and completion of the relevant contractual documentation.

3. Detail

- 3.1 At its meeting on 9th December, 2015 Cabinet, authorised the Corporate Director Communities and Place to request the submission of formal bids from organisations that would:
- 3.1.1 Help secure the overall objective of finding an acceptable, sustainable future for Lydiard House and Park within the Council's ownership and
- 3.1.2 Reduce the annual cost to the Council Tax Payer by at least £450k (Cabinet Minute 45 2015/16 refers).
- 3.2 The opportunity was initially soft market tested. In order to inform its consideration of potential future options, the Council appointed a specialist external organisation, (Bilfinger GVA) to identify the range of market interest in Lydiard House and Park, and the results of this expression of interest were considered in early 2016 (Cabinet Minute 58, 2015/16 refers). These submissions then informed the formal bidding process to seek a partner who would support and enhance the sustainability of the whole site, but also welcomed bids from parties interested in specific parts of the offer, and provided the opportunity to link in with bidders for other packages.
- 3.3 Lydiard House is listed as an Asset of Community Value. Whilst the bidding window was still open, on 22nd June 2016 the Council stated it was considering granting a lease of over 25 years to afford bidders the maximum possible flexibility to develop proposals to boost Lydiard's long-term sustainable future. This then resulted in a qualifying community group triggering a six month

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

moratorium period as provided under the Asset of Community Value legislation, which enabled any qualifying community group to submit a bid by no later than 22nd December 2016. Two community Trusts took this opportunity and submitted bids in December 2016, which were evaluated in January 2017, using the same criteria as the earlier process, and following further clarifications, the evaluation process has now concluded.

Background

- 3.4 Lydiard House and Park, a registered Historic Park and Garden, is a much loved and well used Community asset. Lydiard House forms the centrepiece of the park. A Grade 1 listed structure, Lydiard House is currently used as a conferencing facility linked to a hotel, operated by Chartridge Venues under a short-term lease, with the remaining part housing a Council-run museum. The Park includes many other historic assets, such as the walled garden and lake. Part of the site is leased to Jungle Parc aerial adventure facility, whilst Abbeymeads junior football club have a lease arrangement for pitches for the current football season. There are two permanent catering outlets on site, operated by the Council, at the Coach House and the Visitor Centre. The entire site is within the ownership of Swindon Borough Council, and is much valued by the Borough's residents.
- 3.5 The museum, park, gardens and catering facilities are operated by Swindon Borough Council. When the process for seeking a partner to provide a sustainable future for the house and park opened, the subsidy to the Council of operating the facility was £458k (2014/15). With the introduction of car parking charges, it is estimated that this will be reduced to between £150k and £200k, for the next financial year. In addition to these ongoing costs there is a capital expenditure backlog estimated at £850k to cover identified repairs to the house and conferencing facility.

Expressions of Interest Process

- 3.6 In 2015, the Council commenced a process to seek a partner to provide a sustainable future for Lydiard House and Park. Since then, officers have worked to market-test the offer, and seek bids from interested parties in operating the site. The initial bidding process resulted in three full site bids and two part site bids. These bids were assessed by a team of officers with expertise in planning and conservation, property, museums and finance. The process was overseen by the Council's Transformation and Change team with inputs as required from Legal services and Human Resources.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Public Consultation

- 3.7 During spring 2016, the Council consulted with residents and users to understand any specific concerns, or how they might be affected by future changes at Lydiard House and Park. Users were also consulted on the detailed arrangements for introducing car park charges at both Lydiard and Coate Water Country Park. A total of 976 responses were received to the consultation, the results of which are summarised in Appendix 1. The full document covering detailed responses is available to view on the Borough Council's website. The outcomes of the consultation informed the criteria against which bids were assessed.

Bidding process

- 3.8 Prior to the bidding process starting, a community group nominated Lydiard House as an Asset of Community Value. The nomination was confirmed on 18th September 2015. During the bidding process, the Council recognised that lease length was an important factor in developing proposals, and set out on 22nd June 2016 that it would be willing to consider granting a lease in excess of 25 years, which under the terms of the Asset of Community Value Legislation is treated as a 'relevant disposal'. This then resulted in a qualifying group triggering a six month moratorium period which enabled any qualifying community group to submit a proposal for offering a sustainable future for the House and Park by no later than 22nd December 2016. This process resulted in 2 community Trusts who had submitted bids at the earlier stage refining their proposals. These were assessed by the same officer team, using the same criteria as the earlier bids. Therefore assessments are consistent across both bidding windows.

The Outcome

- 3.9 The bidding process resulted in three full site bids, two from Community Trusts and one from a commercial operator, and two part site bids. All bidders needed to satisfy stated criteria to submit a compliant bid, a copy of which is attached as Appendix 2. All of the whole site bids satisfied these criteria.
- 3.10 The Trust bids scored higher than the Commercial bid. Both have put forward offers aligned to business plans that would remove the Council's subsidy through a refresh of the hotel and catering offers, whilst retaining the historic fabric of the park, and sympathetically enhancing the offer at the House.
- 3.11 These bids have a number of commonalities, starting from a strong heritage perspective, a desire to bring the conferencing and catering offers together across the site, maximise the facility as a wedding venue and continue to use car parking as an income stream. Both bids include detailed business plans

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

over the first 10 year period setting out ongoing sustainable service provision at no cost to the Council, and are both seeking a 50 year lease term. Both are confident of securing necessary start-up funding. Both Trusts would wish to work with the Council to clarify the extent of backlog maintenance, and have proposed to fund an additional structural survey to do this.

- 3.12 Despite these similarities, the evaluation process did bring out some differences. While both bids have relative advantages in certain areas, the Lydiard Park Heritage Trust (LPHT) scored highest, in particular on the heritage expertise of the core team as well as the record of key Trustees in accessing Heritage Lottery Funding.
- 3.13 It is, therefore, recommended that the Lydiard Park Heritage Trust be appointed as preferred bidder for taking on the operation of Lydiard House and Park in the form of a Business Transfer Agreement and long term lease. However, further due diligence will be progressed to follow up in more detail through clarifications now that it is proposed that LPHT is the preferred bidder. For example, additional funding opportunities could be pursued by the Lydiard Park Heritage Trust, with the benefit of preferred bidder status. In addition, the Council will work with the preferred bidder to finalise financial arrangements building on the proposals within their business plan. Both Trusts advised they would, if preferred bidder, undertake a structural survey of all buildings. Officers will, therefore, work with LPHT to establish an agreed level of backlog maintenance works to be funded by the reverse premium, to enable a full repairing and insuring lease to be granted. The final Cabinet recommendation will be subject to this additional work being successfully concluded.
- 3.14 The two part site bids received covered car parking and junior football. It will be for the Lydiard Park Heritage Trust to determine whether they work with these interests moving forward. The Trust's bid was clear that they see junior football as an important part of the Parks' diverse offer moving forwards.

Implications and next steps

- 3.15 If endorsed, negotiations would open with the Trust around the clarifications listed in paragraph 3.13. Subject to this work delivering a successful outcome, a further report would be brought back to Cabinet seeking approval to grant a Business Transfer Agreement and lease of Lydiard House and Park to the Lydiard Park Heritage Trust.
- 3.16 The benefit of the approach of a Business Transfer Agreement and lease is that the freehold of the site remains in the Council's ownership and some control can be exercised through standard lease clauses. As the Council has not sought an operator for a management contract, a specification for services has

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

not been developed, for example setting opening or closing times or setting price levels.

- 3.17 The Lydiard Park Heritage Trust anticipate that it would be in a position to take over the operation of the House and Park in early 2018. This provides an appropriate timeframe in which to complete the transition including staff to be transferred under TUPE regulations from both the Council and Chartridge Limited. This period will also enable the Trust to put in place arrangements for asset transfer and to ensure that a support service network is in place to enable a smooth transition. The Borough Council will continue to operate Lydiard House and Park until transfer, but with the Trust's increasing involvement in relevant decision making following their anticipated clarification and subsequent confirmation as the future operator of Lydiard House and Park.

4. Alternative Options

- 4.1 The Council could decide not to proceed with the transfer. The £458k subsidy has now been reduced to between £150k and £200k, and this could be reduced further with an additional restructure aimed at income generation. The bids provide routes towards generating surpluses over 10 years from the site. The Council could choose to invest in the site to deliver this level of income without externalising its operation.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 There is very significant pressure on the Council's resources and a current expectation that additional savings of around £51m will need to be achieved in the next three years, with £20m in 2017/18. In 2014/15 the Council subsidised (the differential between expenditure and income) Lydiard House and Park to the value of £458k. The financial outturn for 2015/16 resulted in a similar figure of £460k. For 2016/17, following efficiencies in management and staffing costs and the part year benefit of new car parking charges from 1st July, 2016, the projected outturn subsidy based on financial forecasts at 31st January, 2017, is about £300k. For 2017/18, assuming a whole year of car parking income, based on current usage numbers, and that the one-off car park set up costs incurred in 2016/17 will not be repeated, an estimated outturn subsidy projection of between £150k and £200k is possible. This indicates that the subsidy is on a downward trajectory.
- 5.2 The 2017-18 Budget already assumes a saving of £50k per annum in anticipation of the transfer of these assets and services during the 2016-17 financial year. When the Budget was agreed, it was set with a proposed transfer date of October 2016 in mind. The latest timetable suggests that the

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

transfers will take place in early 2018 resulting in a short-term cashflowing pressure in-year of between £150k and £200k. As part of the on-going strategy to deliver future year's Budget savings early, it is expected that this will be managed within the Council's overall cash limit from offsetting savings within other service areas.

- 5.3 The backlog maintenance figure quoted in the last report was £850k based on a condition survey undertaken by Swindon Borough Council in Spring 2016. A further condition survey will be funded and undertaken by the preferred bidder, as part of their due diligence, to establish a schedule of backlog maintenance works for the final terms of the transaction. This sum has been set aside in a Council specific reserve as part of the process to close the 2016/17 accounts.
- 5.4 Following the bidding process, it is now anticipated that the £850k will be made available to the preferred bidder for investment in the property's facilities on a 'reverse premium' basis. The investment areas required will be agreed by the Council in advance and the funding only passed to the preferred bidder upon submission of evidence that the works have been completed at an appropriate cost.
- 5.6 The preferred bidder has confirmed that no subsidy will be required from the Council following transfer of the facilities and that they will accept all future backlog maintenance liabilities once the agreed level of initial backlog maintenance works, funded from the reverse premium, has been agreed and delivered. This will save the Council up to £50k from the Lydiard House and Park direct overhead budgets in a full operational year and avoid unbudgeted additional operational cost pressures of between £100k and £150k which have been incurred.
- 5.7 In addition, there will be efficiencies as the Corporate Capital Repairs and Maintenance (R&M) budget will be available to address identified backlog maintenance issues across other areas of the Council's property portfolio that may not otherwise be possible. The current backlog, excluding schools, is estimated at £11m.
- 5.8 Additional one-off funding of up to £50k will be used to cover the costs of any necessary financial, legal or technical advice required to support the conclusion of the negotiations and completion of the relevant contract documentation. Again, this sum will be earmarked within a Council specific reserve. The further report to Cabinet later in 2017 may request authorisation for one-off funding to fully cover the pension fund for transferring staff at the point of transfer. This figure will only become known as part of the mobilisation of staff under the TUPE process.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

- 5.9 There may also be an impact on central support costs. Over and above the costs directly attributable to Lydiard House and Park, the Council's back-office infrastructure costs will also be affected by this transfer. Most of the central support functions employ staff working across the Council's full range of services and therefore it is unlikely that any staff will transfer with the facilities as part of the TUPE process. If there is a noticeable reduction in the number of financial, Payroll and HR transactions, further savings will be achieved within back-office services as a result of the service transfer.

Legal and Human Rights Implications

- 5.10 Officers consider that the bidding process has been fair and transparent, and undertaken in a manner which does not violate legislation nor prejudice human rights. The Director of Law and Corporate Governance would prepare all required legal documentation to enable the Lydiard House and Park to be transferred to Lydiard Park Heritage Trust

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.11 Any transfer of service to an external operator will have implications for the staff whose substantive role is impacted. Staff in scope will be determined as soon as possible and transfer arrangements put in place via TUPE. A programme of staff engagement will be put in place to assist with this process. The Council will fully fund the pension deficit to the point of transfer. Ongoing pension liabilities will similarly transfer to the Lydiard Park Heritage Trust.
- 5.12 Moving to a Trust model for the operation of the site is expected to ensure its sustainability over the period of the lease. There will be no ongoing subsidy from the Council to contribute to the ongoing operation of Lydiard House and Park for the duration of the lease.

Diversity Impact Assessment

- 5.13 A Diversity Impact Assessment (DIA) has been produced as part of the process to seek partners to secure a sustainable future for Lydiard House and Park. The impact of the proposal for enhancing the offer through transferring the operation of the site to the Lydiard Park Heritage Trust as a preferred bidder has been assessed.
- 5.14 The DIA is available on request from the report author. It sets out key impacts though the potential impact on staff is not considered at this stage as details of TUPE arrangements have not been confirmed. This aspect will be assessed

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

through future stages of the process and appropriate mitigation measures considered.

- 5.15 This process has highlighted that the core criteria set out by the council has provided a basis on which to assess proposals from a financial and a social value perspective.
- 5.16 Whilst there are at present no material changes to the access or the service provided to the House or Park over the length of a lease term, the facilities and services offered at Lydiard House and Park will likely develop and evolve. Through detailed conversations, the Council proposes to work with the Preferred Bidder to develop an equality and diversity statement and action plan to set out key actions that will be taken to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations, in line with the Equality Act.
- 5.17 A further impact assessment will be undertaken to consider staff issues as detailed conversations take place with a preferred bidder.
- 5.18 The DIA will be reviewed once due diligence and other negotiations have concluded and it is hoped that the Preferred Bidder will be able to be confirmed as the operator of Lydiard House and Park. This decision will require Council approval. There will then be a mobilisation period to support the transfer of the site to the new operator on the agreed handover date.

Risk Management

- 5.19 Any risks arising from the recommendations contained within this report will be managed through their implementation, taking into consideration feedback from the consultation exercise.

6. Consultees

- 6.1 The Section 151 Officer and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None.

8. Appendices

- 8.1 Appendix 1 – Council consultation with Lydiard users (Summary of results)
- 8.2 Appendix 2 – Bid Assessment Criteria

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 This is a Key Decision and is included in the Cabinet Work Programme and Forward Plan for March, 2017.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Appendix 1 – Council consultation with Lydiard users (Summary of results)

As part of the process to seek a partner to provide a sustainable future for Lydiard House and Park, a consultation took place in spring 2016 with users to understand any specific concerns, or how they might be affected by future changes. The consultation opened on the 22nd February 2016, closing on 29th April 2016.

Specific questions were also asked relating to the implementation of car parking charging at Lydiard House and Park and at Coate Water Country Park. The results of that part of the consultation have been previously reported, so this report focuses on the feedback provided about Lydiard House and Park,

Thus the findings reported here are from a consultation undertaken in 2016 prior to the introduction of the car parking charges at Lydiard House and Park.

The consultation was advertised through the Council website as an online link, and also by the provision of paper self-completion questionnaires at both country parks and in local libraries. The consultation was also promoted at local events across the Borough, during February and March 2016.

A total of 976 valid responses (423 online and 553 paper) have been included in this analysis.

Further information and a full report on the results of the consultation can be found at www.swindon.gov.uk/lydiardfuture

- The busiest times for visitors are weekend mornings and weekend afternoons and a quarter of respondents visit Lydiard more than once a week, a quarter visit weekly, and a similar proportion once or twice a month.
- Three quarters of visits last between one and three hours and more than four out of every five visitors to Lydiard arrive by car.
- Four fifths of respondents visit say they almost always or often visit with one or more other adults, over half visit almost always or often visit with children , almost a third visit most often with dogs
- Nine out of ten respondents to the consultation say they 'almost always or quite often visit Lydiard to walk or exercise, and almost three quarters cite their reason for visiting as being to enjoy nature and wildlife. More than half almost always or quite often visit Lydiard to take children to play.
- Two fifths of respondents visit regularly to engage in organised sports such as football or Parkrun, and Almost a third of visitor (31%) visit regularly to walk dogs.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

-
- Visitors also use Lydiard to simply sit and relax. Half of all respondents say they do this almost always or quite often and this proportion increases to three fifths amongst those aged over 65.
 - Other popular reasons for visiting Lydiard but less regularly are for social events such as picnics and BBQ's.
 - The most frequently used facilities by a considerable margin, are the parkland, paths and trails. Almost nine in ten respondents to the survey say visit these almost always or quite often. A similar proportion visits the woodland almost as regularly. The next most regularly visited facilities are the lake or dam, the café, and play areas.
 - Respondents generally have a favourable perception of all attributes of Lydiard; but some score very much better than others, which indicate areas where respondents would hope for improvement. Grounds maintenance, flower bed maintenance are rated highly as are cleanliness and litter. Building maintenance and access for buggies and wheelchairs are rated slightly lower indicating some room for improvement; the same is true of footpaths, seating, and drainage. Two attributes which score quite low in comparison are parking and toilets, both of which are seen as requiring attention. Many comment that the surface of the car park needs to be improved, especially if charges are to be levied for using it, and that an increase in parking space is necessary.
 - There are also a number of respondents who seek better footpath surfaces, not least for buggies and wheelchairs, an uplift in the quality of catering (which is also seen as a potential revenue source), and additional equipment to support play and exercise.
 - The principal quality people value about Lydiard is the open space it offers, and the peace, quiet and tranquillity they associate with the place.
 - Lydiard is also valued for its intrinsic beauty, including its natural qualities and the wildlife as well as the environmental dimension offered by a large, natural green space.
 - Lydiard is also valued because all these qualities are provided in a space that is local and therefore easily accessed from the urban areas of Swindon.
 - Lydiard is also valued as a community asset, and for a lot of people part of this value is that it is free to access. Respondents highlight that the space also contributes to social inclusion, not least by being free to access and therefore excluding nobody on socio-economic grounds. For all these reasons, and others, Lydiard is regarded as a source of civic pride for the Borough.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

-
- On a more practical level, Lydiard's specific facilities contribute to people's valuing of the site, by far the most important of these is the provision for children's play. But other aspects of Lydiard are valued as well, not least the history and heritage the site showcases, and the beauty of the lake, the woodland, and the walled garden.
 - When asked what the Council should take into consideration for the future, two issues dominate the response. The most commonly mentioned, raised by a third of all respondents, is the principle that access to Lydiard should be at free, or at worst minimal cost to the public. The second issue, which over a quarter of respondents mention, is the principle of public access, which some people fear may be compromised by plans to outsource management of the site.
 - There are a number of people who look for careful consideration of ownership, and if the Council is no longer able to manage the site they seek a not-for-profit alternative, or some other form of community ownership.
 - Several people urge the authority to consider the health benefits that accrue from the way the park is managed at present, and a significant number mention Parkrun in this connection.
 - Two fifths of all respondents express a measure of interest in volunteering in support of the upkeep of Lydiard, and two fifths of these are sufficiently interested to want to find out more.
 - When asked what they want to see in twenty years' time by far the most prevalent response is that which says it wants Lydiard to be exactly the same in twenty years' time as it is now. By this they mean that the physical space should retain its current beauty, historic heritage, and other attributes, but also that it should remain in non-profit ownership and management and that it should continue to offer free public access in the same way as it now does.
 - Those who look for change ask for greater use of Lydiard for social and community activities and for a more creative approach to community events; they also specify the need for improved play space for children of all ages.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Appendix 2 – Bid Assessment Criteria

Bid Proposal for Lydiard House and Park Swindon

Required information and evaluation criteria

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Evaluation Criteria

In undertaking the process, the Council wishes to be satisfied that the proposed partner has the ability to carry out its contractual obligations (in particular, and that the Council is receiving “best consideration” as required under Section 123 of the Local Government Act 1972.)

Accordingly, the criteria set out below will be applied to the submissions received by the Council in relation to the proposed transaction.

Submissions need to consider all of the information contained in the data room such as the draft lease and draft business transfer agreement.

Bidders are requested to make the Council aware of any proposed amendments to the draft lease and business transfer agreement by returning a marked-up version, preferably using track changes for the Council’s consideration.

1 Absolute requirements

The Council will not enter into the Transaction with any entity which cannot satisfy the criteria noted below:

- 1.1 Swindon Borough Council is seeking a partner who would support and enhance the sustainability of the whole site, but will also consider bids from parties interested in specific Lots, as set out later in the document., The Council reserves the right to explore ways for bidders to work together to achieve the most sustainable outcome.
- 1.2 Confirmation that no annual financial subsidy is required from the Council to continue to comply with the partner’s obligations under the transaction.
- 1.3 Where the bidder is part of a consortium, details of all consortium partners (and the contractual arrangements between them) must be provided to the Council and must give the Council sufficient comfort

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

about the coherence of such arrangements. These arrangements may include, for example, a consortium agreement or evidence of an intention to establish an entity. Any subsequent changes to the consortium arrangements submitted may result in disqualification from the process at a later date.

- 1.4 The bidder must have sufficient financial standing.

The Council will undertake reasonable due diligence on bidders to satisfy itself of the sustainability of the proposal. As a minimum, bidders are asked to provide the most recent 3 years of financial statements. If the bidding organisation has traded for less than 3 years, all available financial statements should be provided.

A bidder satisfying the above criteria will then be eligible to have their submission assessed against the scored criteria. The scored criteria are broken down into two key areas Financial Criteria (60%) and Socio Economic Criteria (40%) which are set out in more detail below.

The Council will not under any circumstances sell any of their freehold interest in Lydiard House and Park.

2 Financial criteria (60%)

- 2.1 Bidders can submit a proposal for any or all of the Lot options as contained in the option table. In assessing the proposals for Lydiard House and Park, a total of 60% of the scoring criteria will be allocated to financial considerations which is then divided between proposed lease term and rent to be paid (30%) and Business Plan incorporating any capital investment plans (30%). Bidders are asked to set out their allocation of the reverse premium to any works included in the business plan.

2.2 Proposed lease term and rent to be paid (30%)

- 2.2.1 30% of the overall score for bids will be awarded on the basis of the proposed lease term and rent to be paid in respect of those facilities. Interested parties should complete:

- 2.2.2 The relevant sections of the "option table", where the interested party is proposing a bid for either Lydiard House and Park as a whole or the individual elements within the option table;

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

2.2.3 The proposed Lease Term.

2.3 Business Plan (30%)

Please supply a 10 year business plan for the Lots you are bidding for.

The Business Plan should include as a minimum details of the following:

2.3.1 Financial information. Copy of your projected income and expenditure statement for the 10 year period;

2.3.2 Detail of plans for relevant on-going maintenance and repair

2.3.3 Details of any plans for changing the way that facilities are currently provided;

2.3.4 In particular, consideration also needs to be given to

- the TUPE implications of all affected staff,
- ongoing funding of pension liabilities after the date of transfer,
- the availability of £850,000 as a reverse premium towards identified backlog maintenance allocated to the House, conference centre and hotel,
- transfer of data and bookings
- any ICT or utility dependencies assumed

2.3.5 Details of any funding sources to finance future capital expenditure and/or operational expenditure requirements

2.3.6 Track Record - evidence of any skills and experience within your organisation or wider bid team and how that will achieve successful operational management of the lot or lots you are bidding for. This should include relevant examples of previous successful operations, and how such experience will be applicable to the process;

2.3.7 Include any assumptions on car parking charges if they are part of your business plan.

2.3.8 Details of due diligence carried out to date on the information provided in the data room.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

2.3.9 Assumptions and supporting rationale for the business plan, including the impact of car park charging.

3 Socio Economic Benefits (40%)

In order to assess the offers received, the Council will also award 40% of each bidder's overall score to the Socio Economic Benefits of the bid. This will be broken into the following sub-weightings:

3.1 Social Value (30%) - measuring the ability of the bidder to ensure a sustainable, affordable provision of the relevant services. This will be assessed by the Council according to the responses to each of the questions below:

3.1.1 Company Ethos - please outline your company structure, your ethos and your organisational objectives and commitment for sustainable and affordable provision in the future including how you will ensure that the current service offering and customer experience is effectively managed to minimise disruption and facilitate a smooth service transition for users and transferring staff. Please supply a draft high level mobilisation plan of key activities to include milestones and associated timeframes.

3.1.2 Historical Importance – Please detail how the Lydiard House and Museum and its collections and the Walled Garden will be safeguarded and how you will ensure that they remain accessible to the general public.

In particular, consideration also needs to be given to;

- Protection and advocacy of the heritage at Lydiard, including architectural and historic importance of the landscape, collections and walled garden in line with the listing designations
- Quality standards to protect and enhance the historic artefacts, including accreditation and professional care of the collections and links to the Swindon Heritage Strategy

3.1.3 Historic Landscape – Please detail how the historic landscape and structures within the park will be protected. This will need to reference those areas restored as part of the Heritage Lottery Fund Project and reflect the long term plans for the park submitted as part of that project, as well as proposals to maintain quality standards.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

- 3.1.4** Community Relationships - please set out how you will build and sustain strong meaningful relationships / partnerships with clubs, community groups, Parish Councils and Friends of Lydiard House etc. Please also give consideration to how your interest will deliver a wider benefit to the park itself, ensuring the continued access to the park as a whole.

Responses to the whole of section 3.1 above should be limited to 2000 words in total, where the bid is for an element of Lydiard House and Park only, and 4000 words in total where the bid is for the entire Lydiard House and Park.

3.2 Strategic Vision / Development Opportunities (10%)

- 3.2.1** Please set out your Strategic Vision for your interest, including development opportunities for a sustainable provision of the site in order to outline how the services you provide will help to assist with the ambition of strong economic growth for Swindon and its residents, including how the services will help to attract new businesses to the area?

Responses to section 3.2 should be limited to 200 words where the bidder is bidding for any of the individual lots and 400 words where the bidder is bidding for the entire Lydiard House and Park.

Note: Bidders should be aware that the information provided in response to Section 3.1 and 3.2 will be relied upon by the Council in making its decision. The successful bidder will, as part of the contractual agreements entered into, be required to warrant and represent that the matters set out in response to these sections remain true and accurate in all material respects.

The matters set out in response to sections, 3.1 and 3.2 and the contents of the Business Plan (set out in 2.3) will be referenced in the contractual agreements and adherence to such matters will be a continuing contractual obligation following commencement of the contractual arrangements

In order for a proposal to be considered, it must confirm the bidder's willingness to make such warranty and representation, and to enter into such contractual commitments, on the basis noted above.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Also bidders should, when expressing an interest for more than one Lot, provide separate responses in relation to each part when responding to questions 2 and 3 confirming adherence to such requirements.

4 Reference Sites (not scored)

- 4.1 Although not scored, contact references should be provided for sites of previous asset transfers to your organisation to enable the Council to undertake relevant due diligence in respect of your submission. The reference details should include the name, organisation and contact telephone number and e-mail address of the reference. Please supply one reference for the relevant packages you are bidding for.

5 Annual Lease Income

- 5.1 A partner is sought who would support and enhance the sustainability of the whole site, but bids are also welcome from parties interested in specific parts of the offer. As such, there are a number of options when submitting a proposal for Lydiard House and Park. For the purpose of this bid submission the options will be referred to as LOTS

The Council is keen to encourage potential bidders to work together where there is an opportunity to maximise the best use of the lots available through working together.

A bidders session will be arranged where parties interested in exploring the opportunity of working together can meet.

Swindon Borough Council reserves the right to agree terms with any bidder for any of the LOTS or combination of LOTS.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

5.2 Lots:

1. **Lydiard Parkland and Grounds** – This includes all of the park land that is used for general walking and informal leisure and recreational use. Within this lot is included the area leased to Jungle Parc and also the areas covered by agricultural licences and tenancies. The first floors offices in the Stable block are allocated to serve the Parkland and Grounds.
2. **Car Parks** – This includes the main areas used for formal and informal parking and overflow parking for events. The car park area that forms the site for the lapsed planning consent is excluded.
3. **Area of lapsed planning consent** – This includes the area that forms the site of the lapsed planning consent.
4. **Walled Garden** – This includes the formal walled garden area and pedestrian access leading to the garden.
5. **Hotel and Conference Centre and Conference Centre first floor**– This includes the 3 storey hotel and 2 storey conference centre. The first floors rooms allocated to the State Rooms are excluded and shown as blue hatching. The first floor conference area extending over the State Rooms is shown as red hatching.
6. **Lydiard House state rooms** – This includes the Mansion and first floor offices shown as blue hatching.
7. **Stable Block Café** – This includes the toilets and education room along with the courtyard area and a further grassed area between the rear of the stable block and walled garden. The first floors offices in the Stable block are allocated to serve the Parkland and Grounds.
8. **Forest Café**– This includes the toilets.
9. **Outdoor recreation and leisure space** - This includes the formal play areas, football pitch area and changing rooms.

5.3 In the 'Lot Table' below, bidders are requested to insert the annual rental income that will be paid to the Council in each of the first 10 years of the lease for each relevant Lot or the whole site. In addition, please insert the lease term.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

It is expected that the full annual rent to be paid to the Council will commence during this initial 10 year period. Bidders must clearly state what they consider to be the 'established year of operation / full annual rent.

The evaluation will be carried out on base rent only.

The Council reserves the right to compare and combine individual rental Lot offers when assessing the whole site offer, including the Council operating the car parks.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

	Annual Rental Income									
LOTS	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	£	£	£	£	£	£	£	£	£	£
Whole Park - Lydiard House and Park whole site offer with £850k reverse premium										
Lot 1 – Lydiard Parkland and Grounds										
Lot 2 – Car Parks										
Lot 3 - Area of lapsed planning										

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

consent										
Lot 4– Walled garden										
Lot 5 – Hotel and Conference Centre and Conference Centre first floor										
Lot 6 – Lydiard House State Rooms										
Lot 7 – Stable block cafe										
Lot 8 – Forrest Café										
Lot 9 – Outdoor recreation and leisure space Lot 7 – Outdoor Leisure Field										

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Other combinations – please specify										

The Council reserves the right to award any combination of Lots based upon the rental income, the scores provided in relation to the business plan and socio-economic evaluation criteria.

The following table identifies how marks will be awarded by the Council to those responses to the questions at section

- 2.3 (business plan)
- 3 (socio economic benefits).

QUALITY SCORING TABLE

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

Numerical Rating	Score	Guideline
Excellent	5 (100% of the weighted marks available)	A response that addresses all elements of the criterion in an exceptional manner. Such a response would normally be evidenced by significant strengths, no significant weaknesses, and presents a high level of assurances against the candidate's ability. In general, the response would be described as excellent or superior.
Good	4 (80% of the weighted marks available)	A response that addresses a majority of the elements of the criterion. Such a response would normally be evidenced by significant strengths, few if any significant weaknesses, and presents an above level of assurances against the candidate's ability. In general, the response would be described as conscientious, competent or complete.
Satisfactory	3 (60% of the weighted marks available)	A response that adequately addresses the elements of the criterion. Such a response would normally be evidenced by a few significant strengths, and weaknesses, and presents an adequate level of assurances against the candidate's ability. In general, the response would be described as suitable or sufficient.
Marginal	2 (40% of the weighted marks available)	A response that addresses a few of the elements of the criterion. Such a response would normally be evidenced by few if any strengths, significant weaknesses, and present a low level of assurance against the candidate's ability. In general, the response would be described as faulty or substandard.
Unsatisfactory	1 (20% of the weighted marks available)	A response that almost completely fails to address the elements of the criterion. Such a response would normally evidence no strengths of any kind and many significant weaknesses and/or deficiencies, which offers few real assurances on the candidate's ability. In general, the response would be described as unsatisfactory or without merit.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

QUALITY SCORING TABLE		
Numerical Rating	Score	Guideline
Poor	0 (0% of the weighted marks available)	A response that completely fails to address the elements of the criterion. Such as response would evidence no strengths of any kind and multiple significant weaknesses that offer no assurances on the candidate's ability. In general, the response would be described as poor.

Bid Instructions

1. Liability

The Council nor GVA shall incur any liability or obligation whatsoever to anyone submitting a bid for this opportunity.

2. Clarifications

Parties proposing to submit a bid are advised first to read the documentation carefully to ensure that they are fully familiar with the nature and extent of the obligations to be accepted by the bidder if their proposal is accepted, in particular the warranties required in section 2 and 3 of the evaluation criteria.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

The bidder should seek to clarify any points of doubt or difficulty before submitting a bid. For this purpose contact details are provided below.

David Creamore

GVA London

020 7911 2155 or 07920 812 018

David.creamore@gva.co.uk

Closing date & time for bidder clarification questions to be submitted by 12pm (UK Local Time) Monday 16th May, 2016.

3. Site Visits

Site visits must only be made via formal prior appointment providing a minimum of 5 working days notice. Site visit requests should be made via GVA as per the contact details above.

4. Procedure

Bidders are required to answer all questions in this document; failure so to do may invalidate your bid submission.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

A bidder who submits a qualified expression of interest shall be requested to withdraw the qualification without amendment to the offer otherwise it may be rejected.

Any costs incurred by the bidder in responding to this opportunity are to be borne by the interested parties and are not reimbursable by the Council.

Please also confirm in writing to the above contact details if you choose to decline the opportunity providing the reasons for this.

5. Acceptance of proposals

The Council does not bind itself to accept any submission and it may accept any Lot or combination of Lots. Interested parties will be notified of the outcome of their expression of interest at the earliest possible opportunity.

6. Receipt of Bids and Timescales

Submissions are to be received in paper format with an additional C-DR (Compact Disc-Recordable) copy of the bid(s) by **12pm (UK Local Time) Monday 16th May, 2016** to the following address:

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

FAO David Creamore

Bilfinger GVA

65 Gresham St

EC2V 7NQ

Submission packaging must be clearly marked '**Submission for Swindon Borough Council Lydiard Portfolio**'

If discrepancies between the copies are found between the paper copy and the CDR, the paper copy will be considered the only response document.

No Expression of interest shall be considered if it reaches the return address, as detailed above after the time specified, unless the closing date has formally been extended in writing.

7. Freedom of Information Act 2000

The bidder acknowledges that the Council is subject to the requirements of the Freedom of Information Act 2000 and shall assist and

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

co-operate with the Authority (at the joint venture partners expense) to enable the Council to comply with these information disclosure requirements.

8. Authorised Signatory

Please complete the expression of interest certificate form below and ensure this is returned with your joint venture proposal submission.

Proposal for the Expression of Interest in Lydiard House and Park (“the Transaction”) by Swindon Borough Council (“the Council”)

To: Swindon Borough Council

Having examined the contents of the documentation (including that within the data room) we now submit an expression of interest relating to the **Proposal for the Expression of Interest Lydiard Park and House (“the Transaction”) by Swindon Borough Council (“the Council”)**

We understand that you are not bound to accept any expression of interest you may receive and we warrant and represent that the matters set out in response to section 2 and 3 of this document remain true and accurate in all material respects.

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.

A Sustainable future for Lydiard House and Park

Cabinet

Date: 15th March 2017

We also certify that this is a bona fide expression of interest and is intended to be competitive and that we have not fixed or adjusted any amount of rent in accordance with any agreement with any other person (with the exception of a consortium submission as set out in 1.2)

Dated this day of 2016

Signature_____

Name (in the capacity of)

Duly authorised to sign bid submissions for and on behalf of:

Witness:

Address:

Occupation/Profession

Further information on the subject of this report can be obtained from Bernie Brannan, Corporate Director of Communities and Place Direct Dial Telephone Number 01793 464377, bbrannan@swindon.gov.uk.