

**Invitation to Tender
For Co-working Arrangement**

On Behalf of

Tunbridge Wells Borough Council

**Town Hall
Royal Tunbridge Wells
Kent TN1 1RS**

Annex B

Introduction:

An exciting opportunity has arisen for a coworking operator to take a lease of a substantial area of the Town Hall in Tunbridge Wells. Centrally located, served by excellent public transport links. A unique opportunity to be in the very heart of Royal Tunbridge Wells.

Royal Tunbridge Wells occupies a strategic location between London, Brighton and the continent in the heart of the Kent and Sussex Weald. The Town came into being over 400 years ago following the discovery of the Chalybeate Spring and enjoyed its heyday as a fashionable resort in the mid-1700s when it attracted visitors who wished to 'take the waters'.

Royal Tunbridge Wells remains a destination of choice today. Geographically, it sits at the centre of a triangle between London, Brighton and the continent; Demographically, it is in the centre of a large, affluent catchment area; educationally, its residents attain the highest levels of qualifications in Kent; economically, it boasts the highest number of business start-ups and best business survival rates, lowest unemployment rates and strongest proportion of knowledge-based businesses; and environmentally it benefits from great open spaces, an attractive built and natural environment and a wide range of shops, bars and restaurants and cultural, leisure and sporting facilities.

For these reasons, Tunbridge Wells regularly features in 'top 10' lists including: 'best places to live', 'best places to raise a family', 'most vibrant', 'quality of life', 'best place to be a woman' and amongst the best places in the UK for open space, landscape culture and memories and happiness. Nesta lists creative industries in Tunbridge Wells as contributing £313.41 million to the local economy and ranks the Town within the top 20 travel to work areas in the UK.

Royal Tunbridge Wells is a highly supportive, networked town. During the past 18 months, the pandemic has brought out the best in local businesses with them adapting to meet local needs and new methods of delivery and with the Council and residents supporting them in this. In normal times, there are a great many formal and informal networking groups, a varied programme of events and a Business Improvement District which works well with the Council to promote the town, support local businesses and promote the vitality of the town centre.

The Town Hall occupies a fantastic place in the town at the crossroads between the main shopping precinct and the historic areas of the town. It is close to both The Common (256 acres of land including woods, heathland, lakes, ponds and springs with unique sandstone outcrops) and Calverley Grounds with its café, programme of events and Winter Ice Rink. It is also right next to 'The Amelia Scott' – a £21m cultural hub due to open in April 2022 that will be a showcase for learning, culture and the arts attracting up to 500,000 visits each year and 18,000 learners on site.

In short, Royal Tunbridge Wells is a great place to do business – it is a destination town, surrounded by creative, articulate, and well-educated residents with a great range of shops, restaurants and businesses.

Tunbridge Wells Borough Council (TWBC) is inviting suitably experienced and skilled interested parties, to take a lease of some 19,800 ft² (to be agreed) of office accommodation within the Town Hall, Tunbridge Wells, for the operation and provision of a co-working operation. In addition to the internal areas, the external central courtyard is included for use and operation by the tenderer.

Annex B

The Council have recently reviewed their own office accommodation requirements within the Town Hall. The Council will need to retain initially some 11,400 ft² for its own accommodation and are looking to lease 19,800 ft² to a co-working business to provide and manage, flexible working solutions. Longer term strategies for the CCTV control room and reduction in storage are being established which it is expected will increase co-working space over the first few years of the lease arrangements. In addition, the introduction of more flexible Council work practices may see the volume of TWBC office space reduce over the period of a lease.

The Council are willing to offer a lease of up to 15 years or possibly a longer term if the level of capital investment is significant (contracted out of the Landlord and Tenant Act 1954) Heads of Terms to be agreed.

The attached plans show areas outlined in red that the Council are looking to retain from the start of the lease for their own use. [Plans are included in Appendix A]

Background

The pandemic has shown a change to working patterns with many people now working from home. TWBC are keen to become part of this growing market, drawing people back into the town centre and offering the opportunity for start up businesses to grow and have an office / studio base. The Town Hall to is an important strategic asset in its location within the town centre, the Council wish to encourage footfall to the town centre and the continued and best use of a centrally placed asset that is valued by the community, traders, and businesses.

TWBC is looking for a partner with a strong vision supported by a proven track record who will be able to maximise the potential of the site, providing a successful vibrant co-working location.

Internal refurbishment

The Council would wish for the entire building (internal) to be refurbished to a good standard. This is to include the areas that the Council are retaining for their own use. The Council will provide workstations and furniture for their retained areas. Tender submissions should provide full information to the extent and quality of the refurbish proposals, including budget and time scales for the works. The Council would envisage that the whole building is made vacant for a period (excluding CCTV monitoring station – as marked on the plans) to allow the internal works to be carried out in one phase. Tenders should include details of proposed costings and funding.

The tenderer should be responsible for the design, commission, and project management of all capital building works committed as part of this tender.

Consideration will need to include how the project will beneficially contribute to the Councils Corporate Carbon Descent Plan to deliver net zero carbon 2030.

The Town Hall is a listed building and interested parties will need to consider the feasibility of their proposals as regards to listed building regulations. The change of use for the Town Hall will also require planning permission. If any tenderer wishes to ask questions or clarify any

Annex B

aspect of the planning requirements, they are invited to submit their questions via the Kent Business Portal.

The Council will facilitate tours of the Town Hall for interested parties and / or their contractors on the following dates: - 8,9 & 10 November 2021. Access will need to be pre booked. Please ensure that you contact us via the Kent Business Portal to secure an appointment

Attached [Appendix B] are details of planned works and works carried out in previous years. The Council has recently commissioned that the entire roof is replaced, and works are due to be completed in Spring 2022, roofing works will also significantly improve the insulation to the building – full details of the roofing works are contained within the tender pack. The Council have within their Capital bids monies to replace / restore the windows to the town hall, it is envisaged that this work will be completed in Summer 2022.

Operation and Management of the Town Hall

The Council require that the tender bids show detailed information regarding the day-to-day operation of the site. The Council would prefer a single management structure and access arrangements for all users of the building. Including details of opening hours, facility management and management of shared areas. The operation overview will need to show compliance with health and safety and all other statutory regulations. In preparing a management plan for the building, the tenderer will need to give access to the Councils Property and facilities staff / contractors for building inspections and compliance requirements.

The Council are interested to understand how IT could be provided and managed for the entire building as part of this agreement, including the areas occupied by Council Officers. As part of the tender exercise, the Council would wish for interested parties to submit a plan for IT provision. If tenderers require any specific information regarding this provision, they are invited to submit questions or requests via the Kent Business Portal.

The Council have a future diary of planned formal civic meetings for which the Council Chamber and other meeting rooms will be required for use by the Council. Details of an example annual schedule is included within this tender pack. [Appendix C] The Council will need use of the Council Chamber for these dates (some flexibility may be required). The tenderer should provide information on how this requirement can be included. In addition, there may be times where the Council may need the facility of a meeting room and would require a form of priority booking. Tenders should include details of any cost and how this could be accommodated.

Details of the Marketing strategy

The Council would wish to see an outline of the marketing strategy to be used, including details of who the co-working company see as their main clients, split of different type of clients, and offer offices, studio, other space). Details should include predicted rates of occupancy.

The Council are seeking a marketing strategy that will bring fresh and innovative ideas that will raise the aspirations of the Town Hall delivering increased and sustained footfall to the Town

Annex B

Centre and will promote the Town Hall contributing to the Councils Economic Development Strategy.

The Council would wish for the tenderer to work in partnership with the Councils Communications team to ensure all media releases are co-ordinated and in line with TWBC policies.

Business Plan and Financial information

The tender should provide details of the full business plan, including details of fees charged to site users, predicted growth projections and expenditure, including evidence of the availability of capital expenditure. Details of proposed split with the Council, including methodology for calculating net profit. The tender should include information on the company's management structure.

The tenderer should be willing to work on an open book basis to auditable standards.

Engagement with the wider Business community

The Council are keen for the tenderer to hold regular events that support both the co-working users, but also to engage with other members of the business community. An outline of how the tenderer will develop and encourage business networking and support including engagement with wider existing business support services.

Contract Term:

The Lease is intended to commence in spring 2022. The minimum lease term will be 15 years although TWBC will consider a longer term in the event that significant capital expenditure is tendered. The Lease terms are to be agreed.

Variant Tenders:

All tenderers are required to submit a proposal based on the minimum lease term of 15 years. However, tenderers are invited to submit additional 'variant tenders' if they believe that greater value can be obtained for the Council from a longer lease agreement.

Tunbridge Wells Borough Council will only accept variant tenders (at its sole discretion) if they meet the minimum specification detailed in the tender specification (or in the absence of defined minimum specification in the tender specification, meet and exceed all criteria of the tender specification).

Variant tenders will be evaluated against the published evaluation criteria.

Variant tenders submitted which do not meet the minimum specification detailed in the tender specification (or in the absence of a defined minimum specification in the tender specification) will be deemed non-compliant and not capable of acceptance by the contracting authority.

Annex B

The variant bid must be set out in writing as a separate document to the tender, and accompanied by a new commercial proposal document submitted and marked 'variant tender'. For the variant tender offered, the full scope of the proposal, costings, delivery and, or, implementation timetable and/or other proposals must be submitted in accordance with the terms set out in the tender documents.

Scope of work and Project timeline:

Set out below is the procurement timetable which all Tenderers must adhere to. Although TWBC does not intend to depart from the timetable, it reserves the right to do so at any time, in which case Tenderers will adhere to any revised timescales

- Week commencing 18 October – tender published on portal
- Expressions of Interest to be received by 12 noon 1st November
- Site visits of the Town Hall – 8, 9 & 10 November
- Tender Close – 12 noon 29 November
- Tender review commences – 30 November
- Interviews advised – 3 December
- Panel site visits – 7, 8 & 9 December
- Panel interviews – 13, 14 & 15 December
- Internal review and approvals – w/c 20th December
- Award of contract and start of 10 day standstill period – approximately the end of January 2022

Evaluation of Responses:

The tenderer will be expected to provide all necessary materials and personnel to undertake this work on behalf of the Council, and responses will be assessed against the following criteria:

Qualitative Assessment Criteria

Requirement 1 - Vision, service, business community engagement and events (weighting 15%)

TWBC is seeking a dynamic partner that will maximise the potential for this site and the wider town centre and community. We are particularly focused on realistic plans for a co-working operation, that encourage footfall, which include for holding exciting events that bring benefit not only to those working from the Town Hall in the co-working provision, but wider business networking opportunities, development, and new skill events.

Please provide the following information to support your proposal:

- A strategic concept vision and innovation document
- A partnership approach statement to working with TWBCs Economic Development Team and other partners
- An ethical compliance statement (to cover items that are not illegal but not in the best image of TWBC, for example (but not limited to) adult entertainment)

Annex B

- A marketing and communications plan
- A written statement detailing your approach to engaging with, and appointing, local suppliers to provide services as part of this project

Each of these elements should be a maximum of 500 words.

Requirement 2 - Experience, references, CVs, and Case studies (weighting 10%)

TWBC will be seeking an experienced partner that can demonstrate that they have the necessary requirements to operate a co-working arrangement. This should include previous experience and a list of case studies that support the credentials of the applicant. Tenderers without a proven track record in co-working development will need to clearly demonstrate that they have the necessary transferable skills and experience to deliver this tender. Case studies should be relevant to the vision of the Town Hall [listed building – part occupied by a Local authority]. Please note that the panel may decide to view established examples that the Tenderer has already developed as part of the process

Please provide evidence of your experience by submitting the following:

- Two detailed case studies from previous projects of this type, with contact details for references – **Maximum 1000 words per case study.**
- CVs of the management team and a management structure diagram
- Details of any joint venture agreements (if any)

Requirement 3 - Building maintenance plan (weighting 10%)

TWBC is seeking to understand how the internal areas of the Town Hall will be maintained and how issues will be dealt with and to what standards.

Please provide the following information to support your proposal:

- A detailed building maintenance plan and methodology – **No restriction on word count**
- A cleaning plan – **Maximum 500 words**
- A waste and recycling plan – **Maximum 500 words**

Commercial Proposal

Requirement 4 - Business plan (weighting 25%)

TWBC is seeking a partner that will maximise the potential for this site and the wider town centre and business community. We are particularly focused on realistic plans for a co-working operation, that encourage footfall, and investment, not just in capital expenditure, but future and wider investment

Please provide the following information to support your proposal:

Annex B

- a full business plan including financial projections P&L, cash flow and long-term balance sheet forecasts.

Requirement 5 - Level of Capital investment in the first 12 months (Council or Company investment) (weighting 15%)

The amount capital expenditure in pound sterling that a Tenderer is willing to commit to spending on the town Hall in the first 12 months, together with the proposed length of Lease term (to be no less than 15 years). For the avoidance of doubt this should include refurbishment costs and ongoing maintenance costs. The Council equally recognise that there are two models here and will also consider appraisals where the Council are investing in the refurbishment and in exchange would be seeking enhanced profit payments. Should the Council be required to invest, we would be seeking sureties and a robust business plan to demonstrate the assurance of our financial investment.

Please provide the following to support your proposal:

- The proposed term of the Lease (to be no less than 15 years)
- The level of capital investment to be committed to refurbishment of the Town Hall in the first 12 months, or the level of investment required by the Council
- A proposed schedule of detailed expenditure payment
- Evidence of availability of capital in order to finance the expenditure outlined
- A master plan/design for the refurbishment of the Town Hall, and suitability for planning assessment/listed building consent, if so required

Requirement 6 - Profit Share (weighting 15%)

Please outline your profit share proposal, with payment to be made to TWBC through an open book accounting procedure. Profits must not be mitigated and should follow standard accountancy practice (details of the formula and procedure to be specified in the submission including methodology for depreciation of assets and the proposed staff and directors' remuneration costs and their increase methodology). TWBC is seeking the full accounting methodology. Weighting will be given to those Tenderers that can guarantee a certain level of income to the Council and maximise net returns to TWBC and use fair methodology.

Please confirm the following information:

- The % profit share to be made available to TWBC
- The full accounting methodology for profit calculation and dividend

Qualitative criteria will be scored out of a possible 5 marks as follows:

Marks Awarded	Criteria
0	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the ability, understanding,

Annex B

	experience, skills, resource & quality measures required to provide the supplies/services, with little or no evidence to support the response.
1	Satisfies the requirement with major reservations. Considerable reservations of the Tenderers relevant ability, understanding, experience, skills, resource & quality measures required to provide the supplies/services, with little or no evidence to support the response.
2	Satisfies the requirement with minor reservations. Some minor reservations of the Tenderers relevant ability, understanding, experience, skills, resource & quality measures required to provide the supplies/services, with little or no evidence to support the response.
3	Satisfies the requirement. Demonstration by the tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the supplies/services, with evidence to support the response.
4	Satisfies the requirement with minor additional benefits. Above average demonstration by the tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the supplies/services, with evidence to support the response.
5	Exceeds the requirement. Exceptional demonstration by the tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the supplies/services. Response identifies factors that will offer potential added value, with evidence to support the response.

Interview – Weighting 10%

Following the quality and finance proposal evaluation any contractor that is 10 points or more behind the leader will not be invited to interview. The dates for interviews will be 7,8 &9 December – Companies required for interview will be informed on 3 December. The interview stage will take the form of a presentation followed by a Q&A session and will be scored out of a possible 10 marks (5 marks for the presentation, 5 marks for the Q&A).

Terms & Conditions

Tenderers are required to submit a draft agreement/proposed draft terms as part of their tender response.

The Council propose a standard commercial lease, the tenant is responsible for internal maintenance repair and insurance. A service charge and percentage based on occupation to be agreed. It is proposed that the initial rent will be £1000 pa.

The Council reserves the right to reject any submission with terms that are not considered acceptable, or that are onerous to the Council and its objectives.

The Lease will be excluded from the operation of sections 24 to 28 (inclusive) of the Landlord and Tenant Act 1954, in accordance with the provisions of section 38A of that Act and the relevant schedules of The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 contracted out of the Landlord and Tenant Act 1954. Tenderers must confirm that they

Annex B

will return the necessary statutory declaration required to exclude the Lease from the Landlord and Tenant Act

In the event of additional co-working opportunities being identified during the normal operation of this contract, the Council reserves the right to award these opportunities directly to the winning tenderer. This will be subject to an acceptable commercial proposal being received. If this is not forthcoming, the Council will seek alternative proposals for the additional opportunities.

Key Dates & Timeline for Procurement

Tender release: **week commencing 18 October 2021**

Expression of Interest Deadline: **12:00pm 1 November 2021**

Deadline for submission of completed tenders: **12:00pm 29 November 2021**

Evaluation: **30 November 2021**

Interviews: **13,14 & 15 December 2021**

Appointment of contractor: **approximately end of January 2022**

Instructions for Submission

The Kent Business Portal eProcurement system will be used to facilitate the secure interchange of documents. All communication should be made via this system. Your response must be submitted electronically into the same tender box that you used to retrieve the original documents, duly completed, and signed before the deadline and when the tender box closes at:

12:00pm 29 November 2021.

ITT Documents

Tunbridge Wells Borough Council invites Contractors to submit their Responses in accordance with the instructions set out in this document.

This document provides Contractors with sufficient information to enable them to provide a compliant response to this ITT (including providing templates where relevant); it sets out the Evaluation Criteria that will be used to evaluate the responses and explains the administrative arrangements for the receipt of Responses, and how the winning bidder will be selected.

While the information contained within this Document is believed to be correct at the time of issue, the Council and its advisors will not accept any liability, for its accuracy, adequacy or completeness, nor will any express or implied warranty be given. This exclusion extends to liability in relation to any statement, opinion or conclusion contained in, or any omission from, this document or other papers (including its Appendices) and in respect of any other written or oral communication transmitted (or otherwise made available) to any Contractor. No

Annex B

representations or warranties are made in relation to such statements, opinions or conclusions.

If a Contractor proposes to enter into the Agreement with the Council it must rely on its own enquiries and on the terms and conditions set out in the Agreement(s) (as and when finally executed), subject to the limitations and restrictions specified in it.

Neither the issue of this Tender, nor any of the information presented in it, should be regarded as a commitment or representation on the part of the Council (or any other person) to enter into a contractual arrangement. This document should not be regarded as an investment recommendation made by the Council or its appointed advisors.

All questions regarding this Tender must be raised in writing, at least FIVE working days before the deadline for receipt of submissions using [the Kent Business Portal](#). Queries raised or received after this date may remain unanswered.

If a Contractor wishes the Council to treat a query as confidential, and not issue the response to all Contractors, it must state this when submitting the query. If, in the opinion of the Authority, the query is not confidential, the Authority will inform the Contractor and it will have an opportunity to withdraw it. If the query is not withdrawn, the response will be issued to all Contractors.

Answers will be deposited into the 'Messaging' tab of tender box and all Contractors will be notified when the answers are available for retrieval.

Please ensure that you allow yourself plenty of time when responding to this Tender prior to the closing date and time. If you are experiencing problems, then please contact the Procurement department at Tunbridge Wells Borough Council for further assistance.

It is the Contractor's responsibility to ensure that their completed submission, together with all requested supporting documentation is deposited by the deadline. It will not be physically possible to submit documents once the tender box has closed and therefore the Council cannot consider submissions after the deadline.

Yours sincerely,

Katie Exon Corporate Property Manager