



Derby City Council



Allestree Park Golf Course

Expressions of Interest 2019 Information Pack

Expression of Interest Exercise **Allestree Golf Course**

Introduction

Derby City Council is seeking expressions of interest and offers from suitable end-users to operate the golf provision on Allestree Park.

This document sets out the opportunity and criteria for assessment.

Background Information

Allestree Park is one of the Council's major parks. At 130 Hectares (320 Acres); it is the largest open space in Derby. It contains areas of both woodland and open space. Part of the park is used as a "pay and play" 18 hole golf course.

Following a marketing exercise a preferred purchaser has been identified for Allestree Hall and ancillary buildings which are located in the centre of the park.

The Allestree hall complex is a Grade II* listed building which currently houses the various facilities used to support the operation of the golf course such as garages, housing the various plant and machinery used to maintain the golf course, controls for the automatic irrigation system, welfare facilities for the maintenance staff and the course ticket office. These facilities will need to be transferred to another location upon the completion of the sale of the hall which is scheduled for completion in September 2020.

Part of the Hall is leased to Allestree Park Golf Club who use it as their base; club room; bar and catering facilities. This lease will transfer to the new owner of the hall on completion of the sale and as such does not form part of this exercise.

Please note for clarification Allestree Hall and ancillary buildings are excluded from this exercise.

The preferred purchaser for Allestree Hall has stated that he may be open to having discussions with a potential operator of the golf course, regarding the possible short term use of the ancillary buildings/garages

The successful bidder will be expected to maintain the golf course to a standard appropriate to its proposed use and to the satisfaction of the Council. The bidder must be in a position to finance and undertake the construction of any new facilities; any improvements and the ongoing running and maintenance

costs as the Council regrets it is unable to offer any funding or other resources towards these costs.

Objectives

The Council's objectives in relation to this EOI exercise are:-

- For the responsibility to maintain and operate the Course be transferred to a future operator.
- For the Course to be operated at no cost to the Authority.
- To ensure that the golf and non-golf areas of the Park subject to the agreement are maintained.
- To ensure Public Use of the Golf Course at a reasonable cost to the public without the payment of membership fees.
- To ensure public access over the golf course.

The Offer

- The Golf Course comprises an 18 hole, 5806 yard par 68, golf course comprising an area of approximately 38.4 hectares within a parkland setting.
- The greens have an automatic irrigation system.
- The operation of the Course is to be by way a lease.
- The agreement will cover the current area of the golf course as outlined on the plan in appendix I.

Green Fees 19/20

- Monday to Friday £12 per round
- Saturday & Sunday £16 per round
- 7 day unlimited annual season ticket £425 per person
- 7 day unlimited monthly season ticket £65 per person

Usage

Rounds played at Allestree

2017/18	2018/19	2019/20 (forecast)
13,566	16,174	18,000+

Financial

Please note: The Council's accounting policy means that income is represented as a negative figure (the figures shown in brackets) and costs are represented as a positive figure.

The costings below have been prepared for the Council's internal purposes, and are provided for information purposes and should be viewed as indicative. Bidders will need to make their own assumptions when interpreting the information and it is recommended they seek their own appropriate professional advice.

Financial Year 18/19

Expenditure

Salary	100,400
Utilities	11,000
Grounds Maintenance	127,500
Security	1,200
Telephone	200
Merchandise	7,000
Misc.	2,000
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	249,300

Income

Equipment Sales	(3,700)
Refreshments	(8,000)
Hire Charges	(900)
Green Fees	(118,700)
Misc.	(1,800)
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	(133,100)

Net Position –Loss/Deficit/Overspend

116,200

Note: –

* Figures shown are net (excludes uncontrollable costs).

Staff

The Authority employs directly 7 staff at the Golf Course. This includes:-

Job Title	No of staff (FTE)
Golf Customer service team leader	1
Golf customer service assistants	2.6
Gardener	2
Grounds maintenance officer	1

Please note that the salary costs for the Grounds Maintenance officer and the Gardner are incorporated in the cost incurred relating to grounds maintenance.

The Authority believes that Transfer of Undertakings (Protection of Employment) Regulations (TUPE) may apply to these posts.

The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may operate to transfer all or some of the staff employed by Derby City Council at the Premises on their current Local Authority terms and conditions to the successful Bidders

Under TUPE, when a work or business changes hands from one employer to another the principal terms of employees' rights are protected. The regulations are designed to protect the rights of employees in a transfer situation enabling them to enjoy the same formal terms and conditions, with continuity of employment.

This means that, where TUPE applies, employees employed by the previous employer (the 'transferor') when the transfer takes effect automatically become employees of the new employer (the 'transferee') on the same terms and conditions, with their acquired rights and obligations, as though they had always been employed by the transferee. The TUPE regulations provide limited opportunities for the transferee or transferor to vary (with the agreement of the employee concerned), the terms and conditions of employment contracts. Harmonisation of terms and conditions of employment is not lawful.

The Bidders must abide by TUPE regulations and all statutory regulations and guidance governing transfers of staff.

In relation to employees that transfer through the operation of TUPE, the Provider is required to provide continued access to pension arrangements for those employees that are currently members of the Local Government Pension Scheme (LGPS). That provision may be through the Provider applying for admitted body status to LGPS or by offering access to a Provider scheme which, inter alia, is certified by the Government Actuary's Department as being broadly comparable with LGPS.

The Provider/s is liable for the following principal terms of employment for each member of staff, who may transfer under TUPE, including:

- Probationary period — if any
- Retirement age
- Pension arrangements
- Periods of notice
- Current pay agreements
- Any agreed pay settlements yet to come into effect
- Working hours
- Annual leave entitlements
- Sick leave arrangements
- Maternity/paternity leave arrangements
- Special leave arrangements
- Terms and conditions of transfers
- Any relevant collective agreement
- Facility time and facilities provided for trade union officials and Health and Safety representatives

This is not a statement of the law, nor is it advice on which third parties may rely. Bidders should take their own advice on the application of TUPE to this transaction, and consequent obligations.

Key Requirements

The EOI exercise will require parties to submit their proposals on the following basis:-

- That they take an occupational lease of the Golf Course. Our preference would be to grant a minimum lease term of 5 years. The lease will be subject to an annual rent. Any bidder will be required to operate the site solely as a golf course.
- The operator is to identify, obtain the necessary consents, fund and construct any building or facilities required to support the operation of the golf course.
- The operator to be responsible for undertaking full maintenance, management and operation of the golf course and any buildings and all associated costs.
- Any offers will be subject to the existing tenancies / rights over the site including maintaining the current level of public access over the course.

Any bidders not fulfilling these requirements will be discounted from the process. Any remaining bidders will have their bid assessed on three categories:-

- Financial viability
- Sustainable business plan
- Demonstrable experience/understanding of managing and developing a leisure/golf facility

Assessment Criteria

All bids will be scored against the following three criteria:

1. **Sustainable Business Plan** – Bidders are required to submit an outline

business plan setting their proposals for the site, including details regarding the securing and developing the facilities required to support the golf course and how they will move to a position of financial sustainability.

20% of the scoring will be based upon the business plan.

2. **Financial Viability** – Bids will need to demonstrate that the facilities will be managed with realistic financial forecasts including:-
 - a) Year 1 income and expenditure forecasts
 - b) Year 2 income and expenditure forecasts
 - c) Year 3 Income and expenditure forecasts
 - d) Assumptions underlying the financial model including the level of capital expenditure proposed

In addition Bidders are to be invited to make their proposals for a rental position including any proposals for a rent free period

60% of the scoring will be based upon the financial viability of the proposal.

3. **Demonstrate experience of managing a complex site** – Bidders are required to demonstrate their understanding of and ability to meet the requirements of managing a complex site of this nature visited and used by members of the public. Bidders will be required to demonstrate the application of and compliance with the relevant regulatory framework, including Health and Safety Health and statutory legislation.

20% of the scoring will be based upon the ability to demonstrate managing a complex site.

Expressions of interest

A prospective bidder should complete an Expression of Interest form which will be provided by the Council. This is the only form the Council will accept as a bona fide expression of interest.

This form should be returned by post or hand-delivered in a sealed envelope to arrive at The Council House by no later than **12 Noon 23 March 2020**. The Council reserves the right to reject late bids. No responses are to be submitted by e-mail or facsimile.

Should your organization form part of a consortium, responses to the Expression of Interest questionnaire should be submitted by each party in the consortium. Potential partners shall supply such further information as the Council may reasonably require.

The Council will evaluate the information supplied by respondents, who may then be asked to provide further clarification of that information.

The Council reserves the right not to accept any bid, to negotiate or otherwise with its potential suppliers and to vary its requirements for the project. Below is the indicative timetable for the process.

Indicative Timetable

Stage	When
Commencement of Expression of Interest Exercise.	Monday 16 December 2019
Submission of Expression of Interest Proposals and supporting Information.	Monday 23 March 2020
Final Decision on viability of bids submitted.	May 2020

Supplementary Information:

Tenure

The operation of the Course is to be by way of a lease.

Condition Data

Bidders should seek their own specialist professional advice on the condition of the premises and course

Planning

The construction of any new building or structures will likely require the granting of Planning and Listed Building consent.

Bidders should seek their own specialist professional advice regarding the planning position in respect of their proposals.

It should be noted that Allestree Park forms part of the listing of Allestree Hall; lies within Derwent Valley Mills World Heritage Site Buffer Zone and is identified as an Archaeological and Ecologically sensitive location.

Important note:

Disclaimers

The Council will not pay any costs or expenses incurred by you in the preparation of your expression of interest or any subsequent investigations or enquiries associated with this process.

The successful bidder must ensure that it obtains appropriate professional advice prior to entering into any contract in connection with this transaction.

Submission Conditions

The conditions and restrictions set out herein shall apply to any responses made to this document.

Membership of Consortia

Where a prospective successful organisation is a consortium, the membership of the consortium and the principle relationship between the members may only be changed with the prior consent of the Council once the response has been received. However, by submitting a response to this Information Pack, all prospective partners will be taken to have consented in advance to any changes in the composition of other bidding consortia at any stage in the process without specific reference from or consultation / discussion with the Council.

Contact with the Council

All contact with the Council shall only be made through methods identified in this

document. No contact shall be made with other Councillors, officers or employees of the Council or any other authorities or statutory bodies in relation to this proposed contract without the prior written consent of the Council.

Canvassing

Any successful organisation that directly or indirectly canvasses any member or official of the Council, or their legal or financial advisors, concerning the award of the contract, or engages in any corrupt practice involving Councillors or officials of the Council or their advisers will be disqualified.

Confidentiality

Any successful organisation must treat all information and documents issued by the Council and their advisers as private and confidential and the express written consent of the Council must be obtained prior to release of these documents to any third party.

Data Protection

Derby City Council is the data controller for any personal information you provide with your bid. Your information will only be used in connection with your bid and may be shared across departments within the council or with other agencies as your enquiry requires. For more information on your data protection rights or on how to contact our data protection officer please visit the data protection pages on our website <https://www.derby.gov.uk/privacynotice/>. If you require printed information about how your information is used please ask us for a copy of our Privacy Notice.

Non-collusion

Organisations are expressly and strictly prohibited from discussing with each other any aspect of their responses to this Information Pack or otherwise exchanging information or colluding in respect of the contract. Any prospective organisations who fail to comply with this requirement will be disqualified.

Preparation of Responses

The Council will not reimburse any expenses incurred by any organisation in preparing responses or tenders.

Responses and Enquiries

All responses and enquiries regarding this opportunity should be submitted;

Via e-mail estates.COR@derby.gov.uk

Via Hard copy FAO John Sadler
Strategic Asset Manager
Corporate Resources Directorate
Derby City Council
The Council House
Corporation Street
Derby DE1 2FS

Telephone 01332 643334

Appendix 1

