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Award

Development Agreement in relation to Great North Leisure Park and Finchley Leisure Centre

London Borough of Barnet

F15: Voluntary ex ante transparency notice

Notice identifier: 2025/S 000-001430

Procurement identifier (OCID): ocds-h6vhtk-04d069

Published 15 January 2025, 7:05pm

Section I: Contracting authority/entity

I.1) Name and addresses

London Borough of Barnet

2 Bristol Avenue

London

NW9 4EW

Contact

Cassie Bridger

Email

cassie.bridger@barnet.gov.uk

Telephone

+44 2083592397

Country

United Kingdom

Region code

UKI71 - Barnet

Internet address(es)

Main address

www.barnet.gov.uk

Buyer's address

<https://londonbarnet.delta-esourcing.com/>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Development Agreement in relation to Great North Leisure Park and Finchley Leisure Centre

II.1.2) Main CPV code

- 70112000 - Development of non-residential real estate

II.1.3) Type of contract

Services

II.1.4) Short description

II.1.4) Short Description: The project is for the development of the site to the north of the

Great North Leisure Park, Finchley, London. The London Borough of Barnet (LBB) intend to enter into a development agreement with Regal GNLP Limited. LBB is the freeholder of a large area of land including the Great North Leisure Park (“GNLP”) and the Developer owns a long headlease of GNLP and a headlease of land to the north of GNLP (known as Glebelands). Part of the land comprised within the Headlease, is subject to an underlease back to LBB of the current Finchley Leisure Centre. The developer intends to develop a residential led mixed-use scheme on the GNLP site, including the plot occupied by the current Finchley Leisure Centre. LBB has identified that the site to the north of GNLP can accommodate a replacement leisure centre to the current Finchley Leisure Centre and is attracted by this opportunity to refresh facilities and make a step-change in local leisure provision.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £45,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKI71 - Barnet

Main site or place of performance

Barnet

II.2.4) Description of the procurement

The project is for the development of the site to the north of GNLP. Under the development agreement the parties will vary the Headleases to accommodate a proposed development on the Developer’s site. The Developer will surrender a strip of land to facilitate the development of a Leisure Centre and build the Leisure Centre on the former bowling green site owned by the Council to the north of GNLP. The estimated value of the Leisure Centre is £45M exc VAT. The Leisure Centre will be part funded up to £29M by the developer through land receipts. An alternative scheme in contemplation is a smaller leisure centre with fewer facilities offering a lower cost option in the range of £29–45M. The development is subject to various conditions (planning, funding and ground investigation) and will contain protections if the development of the Leisure Centre does not proceed. This may include a smaller leisure centre or surrender of the lease and

retaining the site of the current Leisure Centre.

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: Yes

Description of options

Subject to performance and budget there is a contractual price review mechanism, and an alternative option for a smaller leisure centre at the same site.

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

II.2.14) Additional information

Authorisation to proceed with Development Agreement Decision - Great North Leisure Park (GNLP) and Finchley Lido Leisure Centre - Development Agreement (DA) can be accessed by copy and pasting the following into web browser search

<https://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=9506>

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated without a prior call for competition

- No tenders or no suitable tenders/requests to participate in response to open procedure
- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - protection of exclusive rights, including intellectual property rights

Explanation:

This VEAT Notice sets out the Council's intention to directly contract with Regal GNLP Limited (the "Developer") to develop a New Leisure Centre in North Finchley. There is an anticipated target completion date of January 2029 and an overall long stop date of 5 years from completion. The Council intends to observe a period of at least 10 days from the date of publication of this VEAT and will not enter into the contract during that period. The Council considers that the award of the Development Agreement is permitted pursuant to Regulation 32(2)(b)(iii) of the Public Contracts Regulations 2015 (PCR) which permits the use of negotiated procedure without prior publication for public works contracts, public supply contracts and public service contracts where the works, supplies or services can be supplied only by a particular economic operator on the basis of the protection of exclusive rights, and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement. The Council's view is that the development can only be delivered by the Developer because the Developer has exclusive rights under a long leasehold interest in the land and no reasonable alternative or substitute exists. The Council's view is that because the Developer has a leasehold interest over land which encroaches on the proposed site of the New Leisure Centre and therefore has control of access to the new site, and because Regal would need to surrender part of its current lease on the existing leisure centre to make the entire footprint of the New Leisure Centre available for development, to deliver this project, the Council must enter into contract directly with the Developer. If the Council does not develop the New Leisure Centre, it will be retaining an ageing, inefficient and increasingly expensive asset. No alternative provider could undertake the Development Agreement to develop the New Leisure Centre because the Developer controls access to the land and will need to surrender part of its current lease to the Council to make the New Leisure Centre available for development and there is no alternative suitable site. This absence of competition is not the result of an artificial narrowing down of the parameters of the procurement

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

Title

Development Agreement in relation to Great North Leisure Park and Finchley Leisure Centre

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

20 December 2024

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Regal GNLP Limited

NW6 3QH

London

NW6 3QH

Country

United Kingdom

NUTS code

- UKI - London

National registration number

14147094

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Initial estimated total value of the contract/lot/concession: £45,000,000

Total value of the contract/lot/concession: £45,000,000

V.2.5) Information about subcontracting

The contract/lot/concession is likely to be subcontracted

Section VI. Complementary information

VI.3) Additional information

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=915670246>

GO Reference: GO-2025115-PRO-29138472

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

Strand

London

WC2A 2LL

Country

United Kingdom