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Contract

Agreement for lease of part of building to be constructed at Manchester Science Park

UK Biobank Ltd

F03: Contract award notice

Notice identifier: 2024/S 000-010279

Procurement identifier (OCID): ocds-h6vhtk-044426

Published 28 March 2024, 12:26pm

Section I: Contracting authority

I.1) Name and addresses

UK Biobank Ltd

1-2 Spectrum Way, Adswood

Stockport

SK3 0SA

Email

tenders@ukbiobank.ac.uk

Telephone

+44 7824509469

Country

United Kingdom

NUTS code

UKD3 - Greater Manchester

Internet address(es)

Main address

<http://www.ukbiobank.ac.uk>

Buyer's address

https://www.mytenders.co.uk/search/Search_AuthProfile.aspx?ID=AA25607

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Health

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Agreement for lease of part of building to be constructed at Manchester Science Park

Reference number

UKBB019

II.1.2) Main CPV code

- 45215100 - Construction work for buildings relating to health

II.1.3) Type of contract

Works

II.1.4) Short description

UKB has entered into an agreement for lease (“the Agreement”) with Manchester Science Partnerships Ltd (“MSP”) and Bruntwood Science Ltd (as guarantor of MSP’s obligations) pursuant to which MSP will grant to UKB a 30 year lease of part of a building, yet to be constructed but to be known as “Greenheys”. Greenheys will be located on Greenheys Lane within the Manchester Science Park, an estate in Manchester which is owned and has already been partly developed by MSP. This notice confirms the Agreement has been entered into.

The lease will be of the first and second floors, and part of the ground floor, of Greenheys (“the UKB Premises”). MSP intends to construct Greenheys, and to lease the other space in it to tenants who will be keen to be co-located with UKB, as part of the development of its estate.

The award of the Agreement has not been the subject of a competitive procurement pursuant to the Public Contracts Regulations 2015 as amended or otherwise, for the reasons set out in Section II.2.4 below.

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: £42,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKD3 - Greater Manchester

II.2.4) Description of the procurement

MSP will appoint a building contractor for the construction of Greenheys. The lease of the UKB Premises will be granted to UKB following practical completion of the construction of Greenheys in accordance with the terms of the Agreement. UKB is to contribute 48% of the overall development costs for the construction of Greenheys (up to a cap), with MSP contributing the remaining 52%. The UKB Premises will house a new automated sample archive store (which has been tendered by UKB) and office space, and has been configured to reflect UKB's requirements to accommodate large-scale cryostorage including a structural grid, double height ceiling and plant room space as well as power and chilled water provision. The Agreement includes a right to terminate for UKB if the space does not accommodate the archive store and/or the right to make variations to the building contract to accommodate the archive store subject to planning constraints. The remainder of the building will be developed by MSP as a speculative laboratory and office building for letting to other tenants, as referenced above.

Greenheys will be constructed and is to be occupied pursuant to the Agreement and subsequent lease. MSP will use reasonable endeavours to construct and fit out Greenheys by a given date and, as highlighted above, the lease will be entered into after practical completion.

UKB considers that the Agreement does not amount to a public works contract, because its main object is the leasing of property (Greenheys) which is exempted by Regulation 10(1)(a) of the Public Contracts Regulations 2015 as amended.

In any event, even if the Agreement does constitute a public works contract within the Public Contracts Regulations 2015 as amended, UKB considers that the award of the Agreement without prior publication of a contract notice is permitted because Regulation 32(2)(b)(iii) applies for the following reasons:

- UKB, a charity, promotes human health by maintaining a database of health and genetic information gathered from approximately 500,000 volunteer participants. The information bank includes a biorepository of physical samples which require storage in suitable conditions, as well as facilities for retrieval and analysis. UKB's existing biorepository and facilities in Stockport do not offer the required resilience or throughput to meet the projects

which UKB wants to support and these facilities are near the end of their reliable lifespan;

- from approximately September 2020 until approximately March 2022 (when Greenheys was identified as the preferred location if a satisfactory agreement could be concluded with MSP), UKB conducted a search for suitable new premises. Although other less satisfactory or “fallback” options were also considered, the premises which UKB sought to identify were ones which were both in close proximity to a major research university (to facilitate collaboration with the academic and research community in health and science), and in the same travel to work area as its existing premises (to assist retention of skilled and specialist staff). UKB considers that it was justified in taking this approach; and

- because of the nature of the funding needed by and available to UKB for the project, it also required premises which it would either own or lease at a peppercorn rent, and which it could be reasonably confident would be available within a timescale consistent with the need to identify new facilities to house its biorepository of physical samples and provide the resilience and throughput to meet UKB’s requirements, without UKB having itself to be responsible for the construction or redevelopment of the premises (for which it lacked the necessary expertise and appetite for risk). Greenheys fulfils this requirement.

The searches and discussions conducted by and on behalf of UKB did not, within the timescale dictated by the need to apply for funding, identify any reasonably satisfactory alternative to Greenheys.

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

As highlighted in Section II.2.4, UKB considers that the Agreement does not amount to a public works contract, because its main object is the leasing of property (Greenheys) which is exempted by Regulation 10(1)(a) of the Public Contracts Regulations 2015 as amended. Even if (contrary to UKB's view) the Agreement does constitute a public works contract, then it is permitted to be awarded by following the negotiated procedure without prior publication. The use of that procedure is permissible by virtue of Regulation 32(2)(b)(iii) of the Public Contracts Regulations 2015 as amended. MSP, as owner of Manchester Science Park, has the exclusive right to develop the Greenheys site (or any alternative site on Manchester Science Park). The result of the search conducted by UKB was that no reasonable alternative existed which satisfied the parameters identified above, and those parameters have not been artificially narrowed down. A voluntary ex ante transparency notice was published (Notice reference: 2024/S 000-006460) on 29 February 2024.

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

The procurement is covered by the Government Procurement Agreement: No

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2024/S 000-006460](#)

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

27 March 2024

V.2.2) Information about tenders

Number of tenders received: 1

Number of tenders received from SMEs: 0

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 0

Number of tenders received by electronic means: 0

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

V.2.3) Name and address of the contractor

Manchester Science Partnerships Limited

Union, Albert Square

Manchester

M2 6LW

Country

United Kingdom

NUTS code

- UKD3 - Greater Manchester

The contractor is an SME

No

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

Total value of the contract/lot: £42,000,000

Section VI. Complementary information

VI.3) Additional information

The value set out in Section II.1.7 (and repeated at V2.4) is an indicative contract award value based upon UKB's contribution to the estimated cost of the building.

The duration of the lease is 30 years and UKB has an option to extend at the end of the lease for a period to be specified by UKB of between 10 and 20 years

(MT Ref:231690)

VI.4) Procedures for review

VI.4.1) Review body

High Court

Royal Courts of Justice

London

WC2A 2LL

Email

publicprocurementreview@cabinetoffice.gov.uk

Telephone

+44 3450103503

Country

United Kingdom

Internet address

<https://www.gov.uk/government/publications/public-procurement-review-service-scope-and-remit>