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Contract

Royal Derby Hospital MSCP

University Hospital of Derby and Burton NHS Foundation Trust

F03: Contract award notice

Notice identifier: 2024/S 000-017796

Procurement identifier (OCID): ocds-h6vhtk-0435e7

Published 7 June 2024, 7:08pm

Section I: Contracting authority

I.1) Name and addresses

University Hospital of Derby and Burton NHS Foundation Trust

Royal Derby Hospital

Derby

DE223NE

Contact

Andrew Selby

Email

andrew.selby@nhs.net

Country

United Kingdom

Region code

UKF11 - Derby

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<http://www.uhdb.nhs.uk>

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

Royal Derby Hospital MSCP

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

University Hospitals of Derby and Burton NHS Foundation Trust ("UHDB") has entered into contracts with (1) Noviniti Dev Co 10 Limited ("Noviniti") (2) CP Plus Limited ("CP Plus") in respect of a new multi-storey car park development at Royal Derby Hospital, Derby Hospital ("the Hospital"). The documents executed by UHDB comprise a Principal Agreement for Underlease ("S2AFL") and a Licence for Alterations ("LTA") to be granted to Noviniti to permit Noviniti to undertake the car park works. The completed car park will

be leased to CP Plus as the car park operator pursuant to an 'operator lease' granted pursuant to the S2AFL. There is a Deed of Covenant between CP Plus and UHDB in respect of payment of surplus car parking revenue to UHDB and certain circumstances where UHDB will support the rent payable by CP Plus. The contractual arrangements are structured as a land transaction exempt from the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016

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: £23,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 45213312 - Car park building construction work

II.2.3) Place of performance

NUTS codes

- UKF11 - Derby

II.2.4) Description of the procurement

UHDB has entered into the S2AFL with Noviniti and CP Plus in respect of a new multi-storey car park development at the Hospital and a Licence for Alterations under the Ground Lease granted to Noviniti in order to permit Noviniti to carry out the development. Following completion of the works, Noviniti will grant an Operator Lease to CP Plus. UHDB will be obliged to accept a lease of the car park directly if CP Plus defaults. UHDB has structured the contractual arrangements as a land transaction exempt from the Public Contracts Regulations 2015 ("PCR") and the Concession Contracts Regulations 2016 ("CCR").

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: 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:

University Hospitals of Derby and Burton NHS Foundation Trust ("UHDB") has entered into contracts with (1) Noviniti Dev Co 10 Limited ("Noviniti") (2) CP Plus Limited ("CP Plus") in respect of a new multi-storey car park development at Royal Derby Hospital, Derby Hospital ("the Hospital"). The documents executed by UHDB comprise a Principal Agreement for Underlease ("S2AFL") and a Licence for Alterations ("LTA") to be granted to Noviniti to permit Noviniti to undertake the car park works. The completed car park will be leased to CP Plus as the car park operator pursuant to an 'operator lease' granted pursuant to the S2AFL. There is a Deed of Covenant between CP Plus and UHDB in respect of payment of surplus car parking revenue to UHDB and certain circumstances where UHDB will support the rent payable by CP Plus. The contractual arrangements are structured as a land transaction exempt from the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016.

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 000-003149](#)

Section V. Award of contract

Title

Royal Derby Hospital MSCP

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

31 May 2024

V.2.2) Information about tenders

Number of tenders received: 1

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

V.2.3) Name and address of the contractor

Noviniti Dev Co 10 Limited

Ripon

HG4 5AE

Country

United Kingdom

NUTS code

- UKF11 - Derby

Companies House

13891000

The contractor is an SME

No

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

Initial estimated total value of the contract/lot: £23,000,000

Total value of the contract/lot: £23,000,000

Section VI. Complementary information

VI.3) Additional information

Following on from the Option Agreement between UHDB, Noviniti and CP Plus dated 15.11.23 ("S1OA") pursuant to which a ground lease was granted by UHDB to Noviniti on 15.11. 2023 (which ground lease was surrendered and a new ground lease dated 27.3.2024 was entered into) of the site of the car park works for a term of years expiring Nov 2068 (the Noviniti Lease), UHDB proposes to enter into the S2AFL and the Licence for Alternations. The S1OA to grant the Ground Lease was the subject of a VEAT Notice published on 21 September 2023 with reference 2023/S 000-027840 and the S2AFL was the subject of a further VEAT Notice published on 31 January 2024 with reference 2024/S 000-003149. Under the S2AFL Noviniti is not obliged to undertake the car park works but if it does not, UHDB may terminate the Noviniti Lease. The Noviniti Lease contains a break right in favour of UHDB if Noviniti does not commence the car park works by an agreed deadline.

UHDB agreed, as part of the arrangements, to underwrite certain costs in the event that UHDB did not sign up to its commitments under S2AFL. The obligations to underwrite costs fall away on completion of S2AFL.

If Noviniti completes the construction of the car park works, Noviniti may call for CP Plus to accept the Operator Lease which comprises the whole of the car park for a term of 15 years. UHDB will accept a reversionary lease of the car park for a 25 year term commencing on expiry of the Operator Lease. UHDB will also enter into a Deed of Guarantee and Indemnity (DGI) in favour of Noviniti or its funder or purchaser in respect of the tenant's obligations under the Operator Lease.

There is provision for UHDB to accept a direct lease from Noviniti of the car park in place of the Operator Lease if CP Plus defaults and also for UHDB to accept an Overriding Lease (as an alternative to the obligations under the DGI) to become the direct tenant of Noviniti or its funder or purchaser if CP Plus defaults during the term of the Operator Lease.

At completion, UHDB and CP Plus intend to enter into a Deed of Covenant under which surplus car parking revenue is paid to UHDB and UHDB commits to support the rent payable by CP Plus in certain instances.

Noviniti is under no obligation to serve notice to elect to carry out the car park works. No public works contract arises due to the lack of an enforceable obligation.

Following completion of the Noviniti Lease Noviniti has the exclusive right to undertake the car park works until such time as the UHDB break right under the Noviniti Lease

becomes capable of exercise.

UHDB considers that the arrangements fall within the land exemption under Regulation 10(1)(a) PCR and/or regulation 10(11)(a) CCR.

VI.4) Procedures for review

VI.4.1) Review body

The High Court of Justice

London

Country

United Kingdom