

Addendum to: Cabinet Report (14 November 2023) – Great North Leisure Park (GNLP) and Finchley Lido Leisure Centre Outline Business Case

This addendum covers a correction on some points included in the Cabinet report. These have mainly arisen due to the Development Agreement still being in the process of being negotiated at the time that the Cabinet report was written. It is requested that Cabinet note this Addendum in conjunction with the Cabinet report Great North Leisure Park (GNLP) and Finchley Lido Leisure Centre Outline Business Case.

Enclosed with this addendum - Appendix A – Pinsent Mason report on Development Agreement (Exempt)

Addendum details

- 1.1 The draft Development Agreement (DA) has not been appended to the Cabinet report, but rather a summary report of the DA, prepared by the Council's external legal advisers Pinsent Masons (Appendix C), because the Development Agreement is still being negotiated and has been changing on an almost daily basis.
- 1.2 In 1.7 of the Cabinet report, it states that 'Subject to Cabinet approval, LBB have agreed to a variation of the existing headleases, and a widening of the user clause to enable residential development, in return for a premium payment which will facilitate the reprovision of a new leisure facility, governed by a Development Agreement'. Policy and Resources Committee approved the variation of the headleases in April 2023, so no further decision on this is required by Cabinet. The Cabinet report seeks approval to the matters described in it in relation to Option B.
- 1.3 In 1.20 of the Cabinet Report, it states that, in the Development Agreement, there is an "FBC Condition" in the Development Agreement. The report stated that "...it is recognised that the Full Business Case will need to be brought back to Cabinet at a point in time when the scheme is more fully evolved, and the conditions described [the Planning and Funding conditions] have been satisfied. Cabinet's approval will be required before the DA becomes unconditional and the GNLP Headlease is varied." By way of clarification on this point, whilst there will need to be an FBC decision as to whether the Council want Regal to build the NLC or not, this is not in itself a precondition in the Development Agreement. If Cabinet should decide not to approve the FBC then the Development Agreement will nonetheless continue in existence, but without the obligation on Regal to deliver the new leisure centre. The existing leisure centre will remain in situ and the Council will still receive a capital sum in return for extending Regal's headlease and widening the user clause as described in paragraph 1.2 above.