

BIRMINGHAM CITY COUNCIL

CABINET COMMITTEE – PROPERTY

WEDNESDAY, 26 JUNE 2024 AT 15:00 HOURS
IN COMMITTEE ROOM 2, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Information on the Local Government Association's Model Councillor Code of Conduct is set out via <http://bit.ly/3WtGQnN>. This includes, at Appendix 1, an interests flowchart which provides a simple guide to declaring interests at meetings.

5 - 10

4 **MINUTES**

To confirm and sign the Public and Private Minutes of the meeting that was held on the 28 March 2024.

5 **EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

a) To highlight reports or appendices which officers have identified as containing exempt information within the meaning of Section 100I of the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.

b) To formally pass the following resolution:-

RESOLVED – That, in accordance with Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.

6 **ROLE, FUNCTIONS AND MEMBERSHIP OF THE CABINET COMMITTEE - PROPERTY**

Role of Cabinet Committee – Property

1. The role of the Committee is to approve proposed sales of council property and assets as part of the Council wide Asset Strategy.
2. Birmingham City Council is the single largest owner of property in Birmingham and holds the largest land estate of any UK local authority, extending to 26,000 acres. The portfolio, excluding residential homes, infrastructure and schools has an asset value of over £2.4 billion. Income generating assets attract on average £34 million revenue per annum. There are more than 6,500 property assets (land and buildings) in the portfolio and over 300 of these have historic interest.
3. As part of the Council's Medium term Financial Plan a programme of rationalisation and re[1]gearing of its investment property portfolio has been agreed. The portfolio in scope for the Strategy is comprised of development sites and strategic assets, industrial premises, retail premises and miscellaneous assets located across the city.
4. At present (January 2024) the portfolio in scope also includes rental incomes aggregating to approximately £6.7 million per annum and approximately 570 properties.

5. The council's existing Scheme of Delegation to Officers in relation to Property Transactions will remain in place.

Functions of Cabinet Committee – Property

6. The Committee's responsibilities include to exercise full delegated executive powers to consider and make decisions on:
 - a. All land and property transactions including the Investment Property portfolio where the City Council has an interest.
 - b. The acquisition and disposal of leasehold interests for rent (including the granting and surrendering of any rights over such land and property).
 - c. The acquisition and disposal of freehold and leasehold interests at a premium.
 - d. The management of all of the Council's land and properties, including the authoring and payment of discretionary contributions towards trade/loss and/or removal expenses and all payments due under an approved Compulsory Purchase Order.
 - e. To report to Cabinet setting out progress on delivery of the receipts target.

Membership

7. The Cabinet Committee – Property has been established by Cabinet with the following membership: The Leader; The Deputy Leader & Economy and Skills, Cabinet Member for Finance and Cabinet Member for Housing and Homelessness.
8. The quorum of a Cabinet Committee shall be two Cabinet Members.
9. A substitute member shall be entitled to attend in place of a regular Member provided: That a Cabinet Member may only be substituted by another Cabinet Member; That Committee Services be notified of any substitution before the meeting begins.
10. Once an agenda item has begun with a substitute member attending, the regular Member in respect of whom notification has been received, shall not be entitled to vote on the agenda item as a Member of the Cabinet Committee.
11. A substitute member will be able to vote during the meeting only when s/he is acting as a substitute for a regular Member.

Attendance by Members of the Opposition

12. One Councillor from each of the two main Opposition Groups may attend meetings of the Cabinet Committee – Property.
13. Members of the two main Opposition Groups will attend as observers only. They will be entitled to a copy of the agenda (for the sake of clarity this is both the public and private sections) and will be able to participate in the debate but are not allowed to vote on any item.

Rules of Procedure – Cabinet Committee – Property

14. Cabinet Committee decisions shall only be taken based on written report(s) from Chief Officers and after any appropriate advice from the

Head of Paid Service, Monitoring Officer, and Chief Finance Officer. All reports are to be presented in the template prescribed by the City Solicitor.

15. Cabinet Committee decisions are only effective and actionable provided they are taken in accordance with the Constitution, and when posted.

- | | | |
|----------------|----|---|
| <u>11 - 28</u> | 7 | <u>SALE OF LAND AT FOX STREET, BIRMINGHAM</u> |
| | | Report of Strategic Director Place, Prosperity and Sustainability |
| <u>29 - 46</u> | 8 | <u>SALE OF LAND AT STANIFORTH STREET, BIRMINGHAM</u> |
| | | Report of Strategic Director Place, Prosperity and Sustainability |
| <u>47 - 68</u> | 9 | <u>SALE OF 10 WOODCOCK STREET, BIRMINGHAM B1 1BR</u> |
| | | Report of Strategic Director of Place, Prosperity and Sustainability - Paul Kitson |
| <u>69 - 84</u> | 10 | <u>SALE OF THE ELEGANCE SUITE, 129-142 GREAT FRANCIS STREET, NECHELLS, BIRMINGHAM B7 4QX</u> |
| | | Report of Strategic Director of Place, Prosperity and Sustainability |
| | 11 | <u>OTHER URGENT BUSINESS</u> |
| | | To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency. |

ITEM TITLE

Item Description

BIRMINGHAM CITY COUNCIL

**CABINET COMMITTEE –
PROPERTY RECONVENED
MEETING WEDNESDAY, 28
MARCH 2024**

**MINUTES OF A MEETING OF THE CABINET COMMITTEE - PROPERTY
HELD ON WEDNESDAY 28 MARCH 2024 AT 1400 HOURS IN
COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB.**

PRESENT: - Councillor John Cotton, Leader in the Chair

Councillor Karen McCarthy, Cabinet Member
Councillor Majid Mahmood, Cabinet Member

ALSO PRESENT:-

Councillor Robert Alden, Leader of the Opposition (Conservative)
Councillor Deborah Harries, (Liberal Democrat)
Deborah Carter-Hughes, Assistant Director, Corporate Law
Kathryn James, Assistant Director of Investment and Valuation
Rob King, Property Sales Manager
Philip Nell, Director for Property and Investment
Sushil Thobhani, Head of Law, Property, Planning & Regeneration
Louisa Nisbett, Committee Officer
Doug Lee, Development Planning Manager
Fiona Greenway, Finance

NOTICE OF RECORDING

28 The Chair advised the meeting to note that members of the press/public may record and take photographs except where there were confidential or exempt items.

APOLOGIES

29 An apology for absence was submitted on behalf of the Deputy Leader, Councillor Jane Francis and Sharon Thompson for their inability to attend the meeting.

DECLARATIONS OF INTERESTS

30 The Chair reminded Members that they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at the meeting.

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Councillor Majid Mahmood declared that he had been contacted by a member of the public who had made enquiries about extending the leasehold on one of the properties in Agenda Item 6.

MINUTES

31 **RESOLVED:** -

The Minutes of the meeting held on 13 March, 2024, having been previously circulated, were confirmed and signed by the Chair.

EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC

The Chair advised that there were a number of the reports containing an exempt appendix within the meaning of Section 100I of the Local Government Act 1972.

Members of the Committee indicated that they had questions to raise in relation to these items which needed to be raised in the private session.

At 1404 hours it was moved and seconded that the Committee move into a private session and make the decisions in public when the meeting returned to the public session.

32 **RESOLVED:**–

That, in accordance with Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the

Cabinet Committee Property – 28 March 2024

proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.

PROPOSED SALE OF SURPLUS FREEHOLD PROPERTY ASSETS BY PUBLIC AUCTION

The Committee considered a report concerning the sale of surplus freehold property assets by public auction. It was noted that Phillip Nell had undertook to have a discussion with tenants prior to the auction.

EXCLUSION OF THE PUBLIC

It was-

33 **RESOLVED:-**

That members of the press and public be excluded from the meeting for the exempt items of business under the next agenda item under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined under paragraphs 3, 4 and 5 of Part 1 of Schedule 12A of the Act; and (ii) the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

There were a range of matters that were considered during the exempt part of the meeting, and these are set out in full under the private Minutes.

34 **RESOLVED UNANIMOUSLY: -**

That Cabinet Committee Property:-

1. Authorises the Director of Property & Investment to conclude the sale of the Council's freehold property interests at a minimum of the reserve values listed in Exempt Appendix 2 by public auction through its appointed auctioneers during the remainder of 2024;
 2. Authorises the Director of Property & Investment, where deemed appropriate, to set individual reserve prices in excess of £200,000; and
 3. Authorises the City Solicitor to prepare, negotiate, execute, and complete all relevant legal documentation to give effect to the above.
-

DISPOSAL OF 8 NO. SITES FOR AFFORDABLE HOUSING

The Committee considered a report concerning disposal of 8 no. sites for affordable housing. It was noted that community engagement at an early stage should take place.

EXCLUSION OF THE PUBLIC

It was-

35 **RESOLVED:-**

That members of the press and public be excluded from the meeting for the exempt items of business under the next agenda item under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined under paragraphs 3, 4 and 5 of Part 1 of Schedule 12A of the Act; and (ii) the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

There were a range of matters that were considered during the exempt part of the meeting, and these are set out in full under the private Minutes.

36 **RESOLVED UNANIMOUSLY: -**

That Cabinet Committee Property:-

1. Agree to the freehold disposal of the sites listed in Appendix 1 to a developer as detailed in Exempt Appendix 2;
2. Approve the principle that the General Fund sites will be sold unconditionally after a period of due diligence from the developer, and the Housing Revenue Account sites will be sold conditional on planning;
3. Note the land assets have been identified for sale from both the Council's General Fund and Housing Revenue Account (HRA) to provide affordable housing across the city, with the Council retaining Nomination Rights for those on its housing register. General Fund receipts will be paid into the General Fund (minus disposal costs) and HRA receipts will be paid into the HRA..
4. Delegate authority to the Strategic Director for Place, Prosperity, and Sustainability (or their delegate), the Interim Director of Finance (s151 Officer), (or their delegate), and the Interim City Solicitor & Monitoring Officer (or their delegate) to approve any non-material variance to the terms in this approval and to agree the final terms of the Sale Agreement;
5. Note that the purchaser will engage with the local community and Ward members via the planning approval process; and
6. Authorise the Interim City Solicitor and Monitoring Officer to prepare, execute, and complete all relevant legal documentation to give effect to the above.

DISPOSAL OF COUNCIL OWNED LAND AT BORDESLEY PARK

BIRMINGHAM

The Committee considered a report concerning the disposal of Council owned land at Bordesley Park, Birmingham. The importance of jobs, skills and regeneration was stressed moving forward.

EXCLUSION OF THE PUBLIC

It was-

37 **RESOLVED:-**

That members of the press and public be excluded from the meeting for the exempt items of business under the next agenda item under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined under paragraphs 3, 4 and 5 of Part 1 of Schedule 12A of the Act; and (ii) the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

There were a range of matters that were considered during the exempt part of the meeting, and these are set out in full under the private Minutes.

38 **RESOLVED UNANIMOUSLY: -**

That Cabinet Committee Property:-

1. Approves the disposal on a freehold basis of Council owned land at Bordesley Park, together with additional Council owned land interests as detailed in Exempt Appendix 2;
2. Delegates approval of the final sale terms agreed under 2.1 above to the Assistant Director of Investment and Valuation;
3. Authorises the City Solicitor (or their delegate) to negotiate, execute and complete all relevant documentation to give effect to the above recommendation;
4. Notes that the purchaser will reimburse the City Council's reasonable and proper surveyor and legal costs on completion; and
5. Notes that upon disposal, the City Council will continue to consult with the Department for Levelling Up, Housing and Communities (DLUHC) on options to apply the Levelling Up Fund (LUF) grant awarded for Bordesley Park for future remediation, reclamation, and acquisition within the area and consistent with the purposes of the grant application.

OTHER URGENT BUSINESS

39 There was no other urgent business.

The meeting ended at 1511 hours.

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CHAIRPERSON

Birmingham City Council

Report to Cabinet Committee Property

26th June 2024



Subject: Sale of Land at Fox Street, Birmingham, B5 5AD.

Report of: Strategic Director for Place, Prosperity, and Sustainability – Philip Nell

Relevant Cabinet Member: Councillor Sharon Thompson - Deputy Leader of the Council

Relevant O & S Chairs: Councillor Katherine Iroh - Economy, Skills & Culture

Report Author: Wisal Anwar MRICS
Property Development Manager
07840 712376 / wisal.anwar@birmingham.gov.uk

Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Nechells		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 012689/2024		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Exempt Appendices 2,3,4 and 6 contain sensitive commercial information on the sale price and valuation. Exempt information Schedule 12A of the Local Government Act 1972 (as amended) paragraph 3. Information relating to the financial or business affairs of any particular person (including the council)		

1 **Executive Summary**

- 1.1 This report seeks authority for the sale of underutilised Council owned land at Fox Street, Birmingham, B5 5AD by the grant of a new 255 year lease, at a premium.
- 1.2 The subject property has a site area of 1497.33 sqm approximately and is shown edged bold black on the attached plan at Appendix 1.

2 **Recommendations:**

- 2.1 Authorises the Assistant Director of Investment & Valuation to conclude an unconditional sale of underutilised Council owned land at Fox Street, Birmingham, B5 5AD (“the Property”) as shown edged bold black on the attached plan at Appendix 1 and extending to 1497.33 sqm by the grant of a new 255 year lease to the Purchaser as detailed in Exempt Appendix 2/3/4.
- 2.2 Notes that the purchaser will also pay a contribution towards the Council’s surveying and legal costs, as detailed in Exempt Appendix 2/3/4.
- 2.3 Authorises the Assistant Director of Investment and Valuation to revert to the under bidders in the event of a failure to complete and proceed to completion.
- 2.4 Authorises the City Solicitor to prepare, negotiate, execute, and complete all relevant legal documentation to give effect to the above.

3 **Background**

- 3.1 The land is situated within a locality of residential and commercial uses in a prime location in the city centre in close proximity to Millenium Point, Eastside City Park and the proposed HS2 Curzon Street Station.
- 3.2 The land is currently vacant, having most recently been used as a temporary contractor’s compound.
- 3.3 Following the appointment of marketing agents, Jones Lang Lasalle, the property was offered for sale to the open unrestricted market by informal tender with a closing date of 27th March 2024. The outcome of this tender process is set out in further detail in the Exempt Appendix 2/3.
- 3.4 Tenders were invited on either an unconditional or conditional (subject to planning only) basis, and detailed planning guidance was produced to support and inform the process.
- 3.5 The outcome of the tender process, tenders received and recommendations for sale are detailed at Exempt Appendix 3 which also includes an estimate of value of the Property, pre-sale.
- 3.6 The proposed sale represents best consideration and has been validated by Jones Lang Lasalle and the Assistant Director of Investment & Valuation, based upon

analysis of the bidders' proposals. The offer represents the least risk to the Council in terms of deliverability and overall conditionality.

4 Options Considered and Recommended Proposal

- 4.1 **Option 1 - Do Nothing.** The Council is under no obligation to proceed with the proposal and would suffer no reputational consequences if it did not proceed. It would not, however, be in line with the aims of the Property Strategy or the external advice obtained to support delivery of the Strategy. The capital receipt would not be realised at this time and would not be available to fund the City Council's Financial Recovery Plan and there would be no guarantee of a future opportunity.
- 4.2 **Option 2 – Property Retained for Reuse and / or Development by the Council.** The property prior to being offered for sale on the open market, has been considered for potential internal reuse, and or development by the Council to support its business priorities, with no interest expressed or identified.
- 4.3 **Option 3 – Proceed with Agreed Transaction.** It is recommended to proceed with the transaction outlined in this report, in line with the aims of the Property Strategy and the external advice obtained to support delivery of the Strategy, to deliver a capital receipt to fund the Council's Financial Recovery Plan.

5. Consultation

- 5.1 The transaction is recommended by the Councils external agent Jones Lang Lasalle as detailed in Exempt Appendix 3/4.
- 5.2 The Nechells ward member has been notified of the proposed sale of this property and the comments set out in the Ward member consultation form accompanying this report.

6. Risk Management

- 6.1 To meet the expectations of the prevailing property market, the Council has committed to deliver this sale in accordance with delivery milestones set out in the particulars of sale. Failure to meet these milestones would result in a potential loss of the capital receipt.

7. Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

The decisions recommended in this report will facilitate the development of the Site:

- 7.1.1 The proposed sale transaction and generation of a capital receipt supports the Financial Recovery Plan by generating resources and thus helping to achieve a balanced budget.

7.1.2 It is consistent with the City Council Financial Plan 2020-2024 and Financial Plan 2021-2025 as the additional income helps the Council to meet the aspirations to be:

- Prosperous: through continued economic growth, tackling unemployment, attracting inward investment and infrastructure. The scheme will deliver on actions within the Council Plan to concentrate on significant areas of opportunity, by facilitating jobs and training opportunities in an area of deprivation within East Birmingham, using the City Council's property assets to accelerate regeneration and investment.
- Inclusive: through empowered citizens, supporting young people to fulfil potential, and promoting diversity, opportunities, and culture.
- Safe: through tackling anti-social behaviour & hate crime, housing provision and addressing homelessness, and improving living environments, civic pride & culture.
- Healthy: through tackling health inequalities, encouraging and enabling physical activity and healthy living, quality of care, and helping to support mental health.
- Green: by improving the cleanliness of our city and its streets, improving the environment and air quality, carbon reduction and enabling an inclusive green transition.

7.2 Legal Implications

7.2.1 Sections 120-123 of the Local Government Act 1972 authorises the Council to acquire, appropriate and dispose of land. The disposal power in Section 123 of the Local Government Act 1972 is subject to the best consideration test. Jones Lang Lasalle and the Assistant Director of Investment & Valuations have confirmed that the recommended sale, as detailed in Exempt Appendix 2, 3 and 4, represents best consideration and satisfies the Council's obligations under Section 123 of the Local Government Act 1972.

7.2.2 Section 1 of the Localism Act 2011 contains the Council's general power of competence, which is circumscribed only to the extent of any applicable pre-commencement restrictions and any specific post-commencement statutory restriction of the power, and Section 111 of the Local Government Act 1972 contains the Council's ancillary financial and expenditure powers in relation to the discharge of its functions, including the disposal and acquisition of property.

7.2.3 The Local Government Act 2003 and guidance issued under it authorises the Council's investment management functions.

7.2.4 Exempt information: Schedule 12A of the Local Government Act 1972 (as amended) Paragraph 3. Information relating to the financial or business affairs of any particular person (including the Council). Exempt Appendices 2, 3 and 4 are considered to contain commercially sensitive information of a financial or business nature, which if disclosed to the public could be prejudicial to a

named person, individual or company and in the public interest to keep exempt.

7.2.5 The Council's in-house Legal team will complete all legal matters associated with the transaction.

7.3 Financial Implications

7.3.1 The transaction will generate a capital receipt for the Council, as set out in Exempt Appendix 2/3/4. The use of the capital receipt from this asset disposal is intended to support the City Council's Financial Recovery Plan to ensure a balanced budget and prioritise the generation of capital receipts.

7.3.2 The purchaser will pay a contribution towards the Council's professional costs related to the disposal as detailed in Exempt Appendix 2/3.

7.3.3 Upon exchange of contracts the purchaser will pay a nonrefundable deposit as set out in Exempt Appendix 2/3.

7.3.4 The purchase price, including any contribution to the Council's costs, is exclusive of VAT.

7.4 Procurement Implications

7.4.1 N/A

7.5 Human Resources Implications

7.5.1 Internal resources are used to evaluate and execute the transaction and external consultants have been used to provide an independent assessment of value and sale recommendation.

7.6 Public Sector Equality Duty

7.6.1 An Equality Assessment has been carried out EIA000381 dated 29th February 2024 and is attached at Appendix 5. This identifies no adverse impacts on any groups protected under the Equality Act 2010.

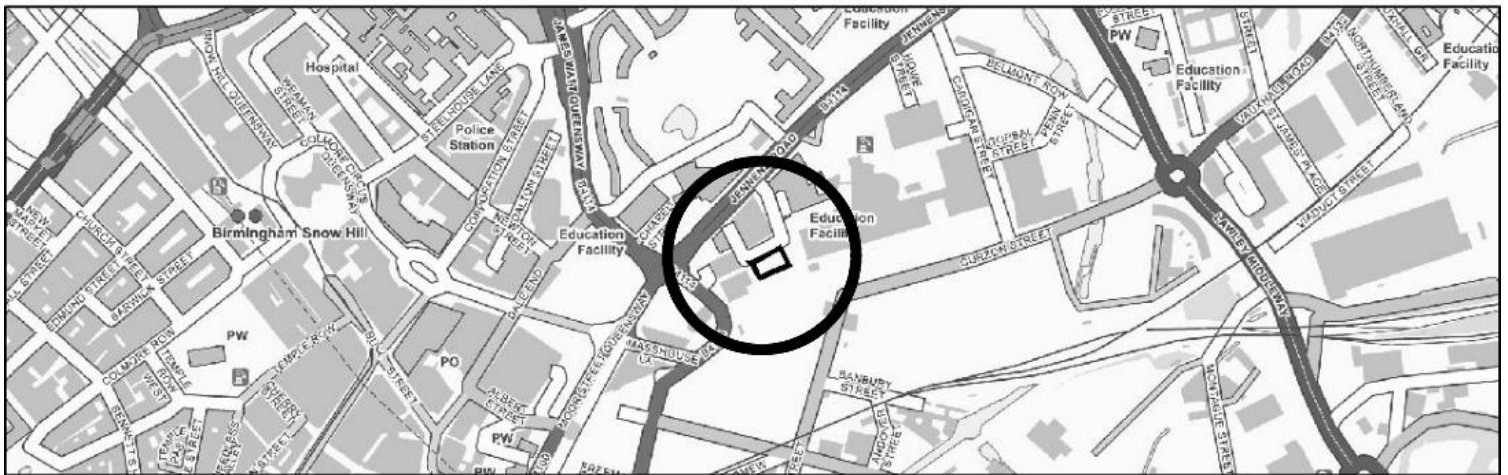
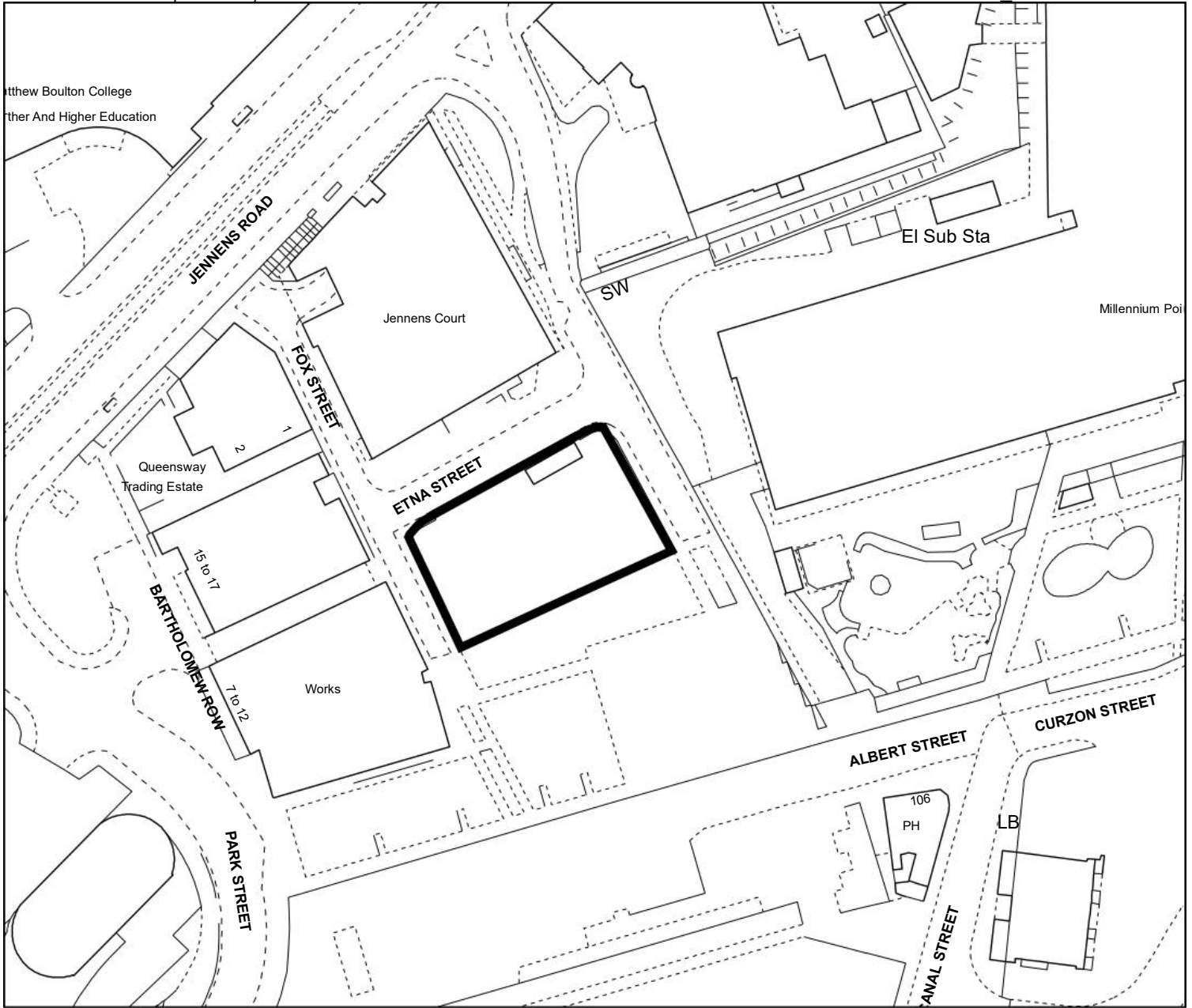
8. Appendices

8.1 List of Appendices accompanying this Report (if any):



- Appendix 1 – Sale of Land at Fox Street, Birmingham. B5 5AD - Site Plan
- Exempt Appendix 2 – Private Report
- Exempt Appendix 3 – Sale of Land at Fox Street, Birmingham. B5 5AD – Jones Lang Lasalle Disposal Strategy and Recommendation Report
- Exempt Appendix 4 – Sale of Land at Fox Street, Birmingham – Head of Terms
- Appendix 5 – Equality Impact Assessment EIA000381
- Exempt Appendix 6 – Ward Member Consultation
- Appendix 7 – Ward Member Consultation Public

9 Background Documents

- Property Strategy (Approved by Cabinet – November 2018)



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 Birmingham City Council	Kathryn James Assistant Director of Investment and Valuation Place, Prosperity & Sustainability Directorate 10 Woodcock Street Birmingham, B7 4BG		
	Site At Etna Street / Fox Street Nechells	 Scale (Main Map) 1:1,250 O.S. Sheet No. SP0787SE	Drawn Bharat Patel

EQUALITY IMPACT ASSESSMENT

Sale of vacant Land at Fox Street, Birmingham. B5 5AD

Reference:

Date:

Submitted by:



EIA Form – About your EIA

Reference number	
Date Submitted	
Subject of the EIA	
Brief description of the policy, service or function covered by the EIA	
Equality Assessment is in support of...	
How frequently will you review impact and mitigation measures identified in this EIA?	
Due date of the first review	

Directorate, Division & Service Area

Which directorate(s) are responsible for this EIA?	
Division	
Service area	
Budget Saving	

Officers

What is the responsible officer's email address?	
What is the accountable officer's email address?	

Data Sources

Data sources	
Data source details	

Protected Characteristics
Protected Characteristic – Age

Does this proposal impact people due to their age as per the Equality Act 2010?	
What age groups are impacted by your proposal?	
Please describe the impact to the age characteristic	
How will you mitigate against any negative impact to the age characteristic?	



Protected Characteristic – Disability

Does this proposal impact those people with a disability as per the Equality Act 2010?	
Please describe the impact to the disability characteristic	
How will you mitigate against any negative impact to the disability characteristic?	

Protected Characteristic – Sex

Does this proposal impact citizens based on their sex as per the Equality Act 2010?	
What sexes will be impacted by this proposal?	
Please describe the impact to the sex characteristic	
How will you mitigate against any negative impact to the sex characteristic?	

Protected Characteristic - Gender Reassignment

Does this proposal impact people who are proposing to undergo, undergoing or have undergone a process to reassign one's sex as per the Equality Act 2010?	
Please describe the impact to the gender reassignment characteristic	
How will you mitigate against any negative impact to the gender reassignment characteristic?	

Protected Characteristic - Marriage and Civil Partnership

Does this proposal impact people who are married or in a civil partnership as per the Equality Act 2010?	
What legal marital or registered civil partnership	



status will be impacted by this proposal?	
Please describe the impact to the marriage and civil partnership characteristic	
How will you mitigate against any negative impact to the marriage and civil partnership characteristic?	

Protected Characteristic - Pregnancy and Maternity

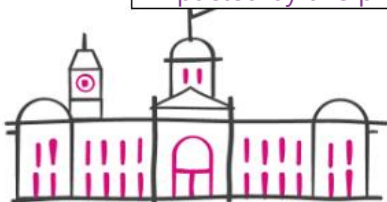
Does this proposal impact people covered by the Equality Act 2010 under the protected characteristic of pregnancy and maternity?	
Please describe the impact to the pregnancy and maternity characteristic	
How will you mitigate against any negative impact to the pregnancy and maternity characteristic?	

Protected Characteristic - Ethnicity and Race

Does this proposal impact people due to their race as per the Equality Act 2010?	
What ethnic groups would be impacted by this proposal?	
Please describe the impact to the ethnicity and race characteristic	
How will you mitigate against any negative impact to the ethnicity and race characteristic?	

Protected Characteristic - Religion or Beliefs

Does this proposal impact people's religion or beliefs as per the Equality Act 2010?	
What religions could be impacted by this proposal?	



Please describe the impact to the religion or beliefs characteristic	
How will you mitigate against any negative impact to the religion or beliefs characteristic?	

Protected Characteristic - Sexual Orientation

Does this proposal impact people's sexual orientation as per the Equality Act 2010?	
What sexual orientations may be impacted by this proposal?	
Please describe the impact to the sexual orientation characteristic	
How will you mitigate against any negative impact to the sexual orientation characteristic?	

Monitoring

How will you ensure any adverse impact and mitigation measures are monitored?	
Please enter the email address for the officer responsible for monitoring impact and mitigation	



Appendix 7

Ward Member Consultation Disposal of Land at Fox St -

PROPERTY ADDRESS	WARD	CONSULTATION	COUNCILLOR RESPONSE	RESPONSE
Disposal of Land at Fox St	Nechells	Email dated 4/6/24 from Cllr Lee Marsham.	<p>Councillor Lee Marsham commented: Good afternoon I have copied in the Deputy Leader and Chair of Economy and Skills O&S.</p> <p>1st paragraph moved to Exempt Appendix 6.</p> <p>The land sits within the knowledge quarter, is in the East Birmingham development zone, and very close to the new HS2 Curzon Street station. All of which should see a rise in the value of the land in the coming years, meaning that future earning potentials could be greater.</p> <p>Given the Council owns other land nearby, and the strategic importance of this part of the city I believe this sale should be paused to consider if this fits in with the long-term vision for the area in a cohesive way.</p> <p>I would also be keen for any sale to secure a one-off funding commitment to the Ward of Nechells so that one of the poorest communities in the city can benefit, this is before any s106 of CIL. Likewise a commitment to invest time in the Ward through volunteering days etc or offer of materials in kind to local community groups.</p>	<p>Dear Councillor Marsham, thank you for your prompt response and comments, which we look forward to considering with you further.</p> <p>In relation to your concern, if completion with a bidder does not occur within the timeframes proposed the council does reserve the right to terminate the contract and the report also authorises the Assistant Director of Investment and Valuation to revert to the under bidders in the event of a failure to complete and proceed to completion.</p> <p>The recommendation to proceed with the transaction outlined in the report is in line with the aims of the Property Strategy and the external advice obtained to support delivery of the Strategy, it delivers a capital receipt to fund the Council's Financial Recovery Plan. The use of the capital receipt from the asset disposal is intended to support the City Council's Financial recovery and prioritise the generation of capital receipts to ensure a balanced budget.</p>

Appendix 7

Ward Member Consultation Disposal of Land at Fox St -

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Birmingham City Council
Report to Cabinet Committee Property
26 June 2024



Subject: **Sale of Car Park at Staniforth Street, Birmingham,
B5 5DN**

Commissioner's Review:

Commissioners supports the recommendations.

Birmingham City Council

Report to Cabinet Committee Property

26th June 2024



Subject: Sale of Car Park at Staniforth Street, Birmingham, B5 5DN.

Report of: Strategic Director for Place, Prosperity, and Sustainability – Philip Nell

Relevant Cabinet Member: Cllr Sharon Thompson – Deputy Leader of the Council

Relevant O & S Chairs: Councillor Katherine Iroh - Economy, Skills & Culture

Report Author: Wisal Anwar MRICS
Property Development Manager
07840 712376 / wisal.anwar@birmingham.gov.uk

Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Newtown		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 012689/2024		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Exempt Appendices 2, 3 and 4 contain sensitive commercial information on the sale price and valuation. Exempt information Schedule 12A of the Local Government Act 1972 (as amended) paragraph 3. Information relating to the financial or business affairs of any particular person (including the council)		

1 **Executive Summary**

- 1.1 This report seeks authority for the sale of the Council Car Park at Staniforth Street, Birmingham by the grant of a new lease, at a premium.
- 1.2 The subject property has a site area of 3642.17 sqm approximately and is shown edged bold black on the attached plan at Appendix 1.

2 **Recommendations:**

- 2.1 Authorises the Assistant Director of Investment & Valuation to conclude an unconditional sale of the Council owned Car Park at Staniforth Street, Birmingham as shown edged bold black on the attached plan at Appendix 1, and extending to 3642.17 sqm by the grant of a new 255 year lease to the Purchaser as detailed in Exempt Appendix 2.
- 2.2 Notes that the purchaser will also pay a contribution towards the Council's surveying and legal costs, as detailed in Exempt Appendix 2.
- 2.3 Authorises the Assistant Director of Investment and Valuation to revert to the under bidders in the event of a failure to complete and proceed to completion.
- 2.4 Authorises the City Solicitor to prepare, negotiate, execute, and complete all relevant legal documentation to give effect to the above.

3 **Background**

- 3.1 The land is situated within a locality of student residential and commercial uses in a prime location in the city centre in close proximity to Birmingham Snow Hill Station and Colmore Business District.
- 3.2 The land is currently let out to a car park operator and to a construction contractor as a site compound.
- 3.3 Following the appointment of marketing agents, Jones Lang Lasalle the property was offered for sale to the open unrestricted market by informal tender with a closing date of 27th March 2024. The outcome of this tender process is set out in further detail in the Exempt Appendix 2, 3 and 4.
- 3.4 Tenders were invited on either an unconditional or conditional (subject to planning only) basis, and detailed planning guidance was produced to support and inform the process.
- 3.5 The outcome of the tender process, tenders received and recommendations for sale are detailed at Exempt Appendix 2, 3 and 4 and in Jones Lang Lasalle's Disposal Strategy and Recommendation Report at Exempt Appendix 3, which also includes an estimate of value of the Property, pre-sale.
- 3.6 The proposed sale represents best consideration and has been validated by Jones Lang Lasalle and the Assistant Director of Investment & Valuations, based upon

analysis of the bidders' proposals. The offer represents the least risk to the Council in terms of deliverability and overall conditionality.

4 Options Considered and Recommended Proposal

- 4.1 **Option 1 - Do Nothing.** The Council is under no obligation to proceed with the proposal and would suffer no reputational consequences if it did not proceed. It would not, however, be in line with the aims of the Property Strategy or the external advice obtained to support delivery of the Strategy. The negotiated capital receipt would not be realised at this time and would not be available to fund the City Council's Financial Recovery Plan and there would be no guarantee of a future opportunity.
- 4.2 **Option 2 – Property Retained for Reuse and / or Development by the Council.** The property prior to being offered for sale on the open market, has been considered for potential internal reuse, and / or development by the Council to support its business priorities, with no interest expressed or identified.
- 4.3 **Option 3 – Proceed with Agreed Transaction.** It is recommended to proceed with the transaction outlined in this report, in line with the aims of the Property Strategy and the external advice obtained to support delivery of the Strategy, to deliver a capital receipt to fund the City Council's Financial Recovery Plan.

5. Consultation

- 5.1 The transaction is recommended by the Council's external agent Jones Lang Lasalle as detailed in the Disposal Strategy and Recommendation Report at Exempt Appendix 3.
- 5.2 The Newtown ward member has been notified of the proposed sale of this property.

6. Risk Management

- 6.1 To meet the expectations of the prevailing property market, the Council has committed to deliver this sale in accordance with delivery milestones set out in the particulars of sale. Failure to meet these milestones would result in a potential loss of the capital receipt.

7. Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

The decisions recommended in this report will facilitate the development of the Site:

- 7.1.1 The proposed sale transaction and generation of a capital receipt supports the Financial Recovery Plan by generating resources and thus helping to achieve a balanced budget.

7.1.2 It is consistent with the City Council Financial Plan 2020-2024 and Financial Plan 2021-2025 as the additional income helps the Council to meet the aspirations to be:

- Prosperous: through continued economic growth, tackling unemployment, attracting inward investment and infrastructure. The scheme will deliver on actions within the Council Plan to concentrate on significant areas of opportunity, by facilitating jobs and training opportunities in an area of deprivation within East Birmingham, using the City Council's property assets to accelerate regeneration and investment.
- Inclusive: through empowered citizens, supporting young people to fulfil potential, and promoting diversity, opportunities, and culture.
- Safe: through tackling anti-social behaviour & hate crime, housing provision and addressing homelessness, and improving living environments, civic pride & culture.
- Healthy: through tackling health inequalities, encouraging and enabling physical activity and healthy living, quality of care, and helping to support mental health.
- Green: by improving the cleanliness of our city and its streets, improving the environment and air quality, carbon reduction and enabling an inclusive green transition.

7.2 Legal Implications

7.2.1 Sections 120-123 of the Local Government Act 1972 authorises the Council to acquire, appropriate and dispose of land. The disposal power in Section 123 of the Local Government Act 1972 is subject to the best consideration test. The Assistant Director of Investment & Valuation has confirmed that the recommended sale, as detailed in Exempt Appendix 2, 3 and 4, represents best consideration and satisfies the Council's obligations under Section 123 of the Local Government Act 1972.

7.2.2 Section 1 of the Localism Act 2011 contains the Council's general power of competence, which is circumscribed only to the extent of any applicable pre-commencement restrictions and any specific post-commencement statutory restriction of the power, and Section 111 of the Local Government Act 1972 contains the Council's ancillary financial and expenditure powers in relation to the discharge of its functions, including the disposal and acquisition of property.

7.2.3 The Local Government Act 2003 and guidance issued under it authorises the Council's investment management functions.

7.2.4 Exempt information: Schedule 12A of the Local Government Act 1972 (as amended) Paragraph 3. Information relating to the financial or business affairs of any particular person (including the Council). Exempt Appendices 2, 3 and 4 are considered to contain commercially sensitive information of a financial or business nature, which if disclosed to the public could be prejudicial to a

named person, individual or company and in the public interest to keep exempt.

7.2.5 The Council's in-house Legal team will complete all legal matters associated with the transaction.

7.3 Financial Implications

7.3.1 The transaction will generate a capital receipt for the Council, as set out in Exempt Appendix 2. The use of the capital receipt from this asset disposal is intended to support the City Council's Financial Recovery Plan to ensure a balanced budget and prioritise the generation of capital receipts.

7.3.2 The purchaser will pay a contribution towards the Council's professional costs related to the disposal as detailed in Exempt Appendix 2.

7.3.3 Upon exchange of contracts the purchaser will pay a non-refundable deposit as set out in Exempt Appendix 2.

7.3.4 The purchase price, including any contribution to the Council's costs, is exclusive of VAT.

7.4 Procurement Implications

7.4.1 N/A

7.5 Human Resources Implications

7.5.1 Internal resources are used to evaluate and execute the transaction and external consultants have been used to provide an independent assessment of value and sale recommendation.

7.6 Public Sector Equality Duty

7.6.1 An Equality Assessment has been carried out EIA000382 dated 29th February 2024 and is attached at Appendix 5. This identifies no adverse impacts on any groups protected under the Equality Act 2010.

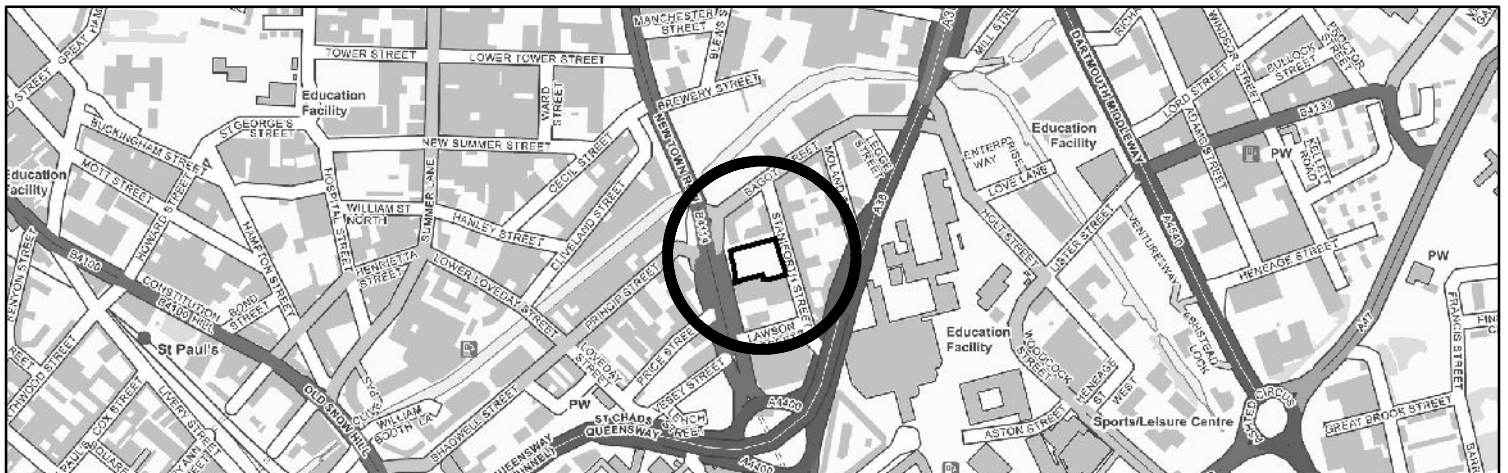
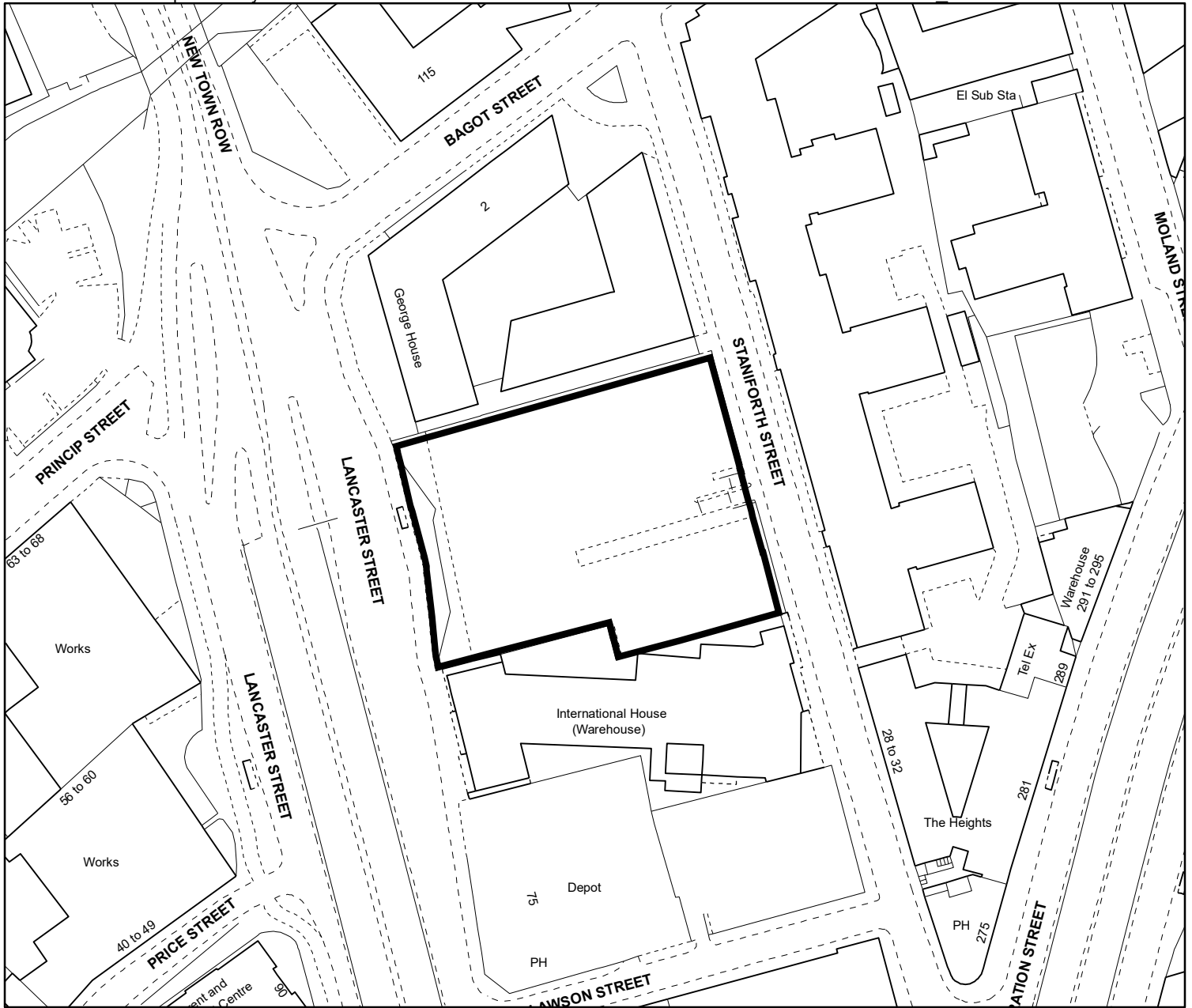
8. Appendices

1.1 List of Appendices accompanying this Report (if any):



- Appendix 1 – Site Plan
- Exempt Appendix 2 – Private Report
- Exempt Appendix 3 – Jone Lang Lasalle Disposal Strategy & Recommendation Report
- Exempt Appendix 4 – Heads of Terms
- Appendix 5 – Equality Impact Assessment EIA000382
- Appendix 6 – Ward Member Consultation Public

9 Background Documents

- Property Strategy (Approved by Cabinet – November 2018)



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 <p>Birmingham City Council</p>	Kathryn James Assistant Director of Investment and Valuation Place, Prosperity & Sustainability Directorate 10 Woodcock Street Birmingham, B7 4BG			
<p>Car Park At Stanforth Street Newtown</p>		<p>Scale (Main Map)</p>	<p>Drawn</p>	<p>Date</p>
<p>Page 37 of 84 O.S.Ref SP0787NW</p>		<p>1:1,250</p>	<p>Bharat Patel</p>	<p>04/04/2024</p>

EQUALITY IMPACT ASSESSMENT

Sale of Land at Staniforth Street, Birmingham. B5 5DN

Reference:

Date:

Submitted by:



EIA Form – About your EIA

Reference number	
Date Submitted	
Subject of the EIA	
Brief description of the policy, service or function covered by the EIA	
Equality Assessment is in support of...	
How frequently will you review impact and mitigation measures identified in this EIA?	
Due date of the first review	

Directorate, Division & Service Area

Which directorate(s) are responsible for this EIA?	
Division	
Service area	
Budget Saving	

Officers

What is the responsible officer's email address?	
What is the accountable officer's email address?	

Data Sources

Data sources	
Data source details	

Protected Characteristics
Protected Characteristic – Age

Does this proposal impact people due to their age as per the Equality Act 2010?	
What age groups are impacted by your proposal?	
Please describe the impact to the age characteristic	
How will you mitigate against any negative impact to the age characteristic?	



Protected Characteristic – Disability

Does this proposal impact those people with a disability as per the Equality Act 2010?	
Please describe the impact to the disability characteristic	
How will you mitigate against any negative impact to the disability characteristic?	

Protected Characteristic – Sex

Does this proposal impact citizens based on their sex as per the Equality Act 2010?	
What sexes will be impacted by this proposal?	
Please describe the impact to the sex characteristic	
How will you mitigate against any negative impact to the sex characteristic?	

Protected Characteristic - Gender Reassignment

Does this proposal impact people who are proposing to undergo, undergoing or have undergone a process to reassign one's sex as per the Equality Act 2010?	
Please describe the impact to the gender reassignment characteristic	
How will you mitigate against any negative impact to the gender reassignment characteristic?	

Protected Characteristic - Marriage and Civil Partnership

Does this proposal impact people who are married or in a civil partnership as per the Equality Act 2010?	
What legal marital or registered civil partnership	



status will be impacted by this proposal?	
Please describe the impact to the marriage and civil partnership characteristic	
How will you mitigate against any negative impact to the marriage and civil partnership characteristic?	

Protected Characteristic - Pregnancy and Maternity

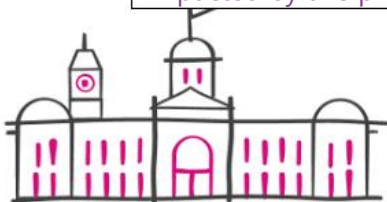
Does this proposal impact people covered by the Equality Act 2010 under the protected characteristic of pregnancy and maternity?	
Please describe the impact to the pregnancy and maternity characteristic	
How will you mitigate against any negative impact to the pregnancy and maternity characteristic?	

Protected Characteristic - Ethnicity and Race

Does this proposal impact people due to their race as per the Equality Act 2010?	
What ethnic groups would be impacted by this proposal?	
Please describe the impact to the ethnicity and race characteristic	
How will you mitigate against any negative impact to the ethnicity and race characteristic?	

Protected Characteristic - Religion or Beliefs

Does this proposal impact people's religion or beliefs as per the Equality Act 2010?	
What religions could be impacted by this proposal?	



Please describe the impact to the religion or beliefs characteristic	
How will you mitigate against any negative impact to the religion or beliefs characteristic?	

Protected Characteristic - Sexual Orientation

Does this proposal impact people's sexual orientation as per the Equality Act 2010?	
What sexual orientations may be impacted by this proposal?	
Please describe the impact to the sexual orientation characteristic	
How will you mitigate against any negative impact to the sexual orientation characteristic?	

Monitoring

How will you ensure any adverse impact and mitigation measures are monitored?	
Please enter the email address for the officer responsible for monitoring impact and mitigation	



Appendix 6

Ward Member Consultation Disposal of Land at Staniforth St -

PROPERTY ADDRESS	WARD	CONSULTATION	COUNCILLOR RESPONSE	RESPONSE
Disposal of Land at Staniforth St	Newtown	<p>Emails dated 14/4/24 and 4/6/24 to Cllr Ziaul Islam. Dear Cllr Islam, Please find attached the draft Cabinet Committee Property reports in respect to the sale of a car park on Staniforth Street for redevelopment. It is proposed that the reports will be considered on the 26th of June committee.</p> <p>Some of the information shared is confidential and therefore not for public disclosure. Should you have any comments please let me know. To meet the reporting deadlines, I would welcome your comments by 4 pm on the 7th</p>	No response received.	

Appendix 6

Ward Member Consultation Disposal of Land at Staniforth St -

		June and I apologies in advance for the short notice for response.		
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Birmingham City Council
Report to Cabinet Committee Property
 26 June 2024



Subject: Sale of 10 Woodcock Street, Birmingham B7 1BL

Report of: Strategic Director of Place, Prosperity, and Sustainability
 – Philip Nell

Relevant Cabinet Member: Councillor Sharon Thompson – Deputy Leader of the Council

Relevant O&S Chair(s): Councillor Katherine Iroh – Economy, Skills & Culture

Report author: Kathryn James– Assistant Director – Investment and Valuation
 Kathryn.james@birmingham.gov.uk

Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All
If yes, name(s) of ward(s): Nechells		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011225/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		
Exempt Appendices 2, 3, 4, 6 and 8 - Local Government Act 1972 Schedule 12A Paragraph 3 (As amended) – Information relating to the financial or business affairs of any particular person (including the Council)		

1 Executive Summary

- 1.1 This report seeks authority for the freehold sale of the Councils offices at 10 Woodcock Street, Aston, Birmingham B7 1BL
- 1.2 The subject property provides circa 200,000 sqft of office accommodation as show edged bold black on the attached plan at Appendix 1.

2 Recommendations

- 2.1 Authorises the Assistant Director of Investment and Valuation to conclude the sale of the surplus Council asset at 10 Woodcock Street subject to vacant possession being provided for a capital sum as set out in Exempt Appendix 2.
- 2.2 Delegates approval of the final sale terms agreed under 2.1, including any terms as to payment and holding of a deposit, to the Assistant Director of Investment and Valuation.
- 2.3 Notes the purchaser will also pay a contribution towards the Councils surveyor and legal costs, as detailed in Exempt Appendix 2.
- 2.4 Authorises the City Solicitor to prepare, negotiate, execute, and complete all relevant legal documents to give effect to the above.
- 2.5 Note the feedback from the Economy, Skills and Culture Overview and Scrutiny Committee, and the response, as set out in paragraph 5.6 and Appendix 6.

3 Background

- 3.1 10 Woodcock Street was constructed in 2009 as part of the Working for the Future Business Transformation Programme which transformed the City Council's back-office portfolio from 55 buildings down to a portfolio of only 5 assets.
- 3.2 The building provides circa 200,000 sq.ft. of open plan office accommodation over 3.5 floors together with meeting rooms and other facilities usually associated with a public sector administration orientated building which pre 2020 was used by over 2,500 staff each day.
- 3.3 In July 2021 Cabinet approved an Enhanced Business Case for the New Ways of Working Programme (NWOW) which set out the transformation required to adopt more agile working practices and more specifically the agreement to the closure and disposal of 1 Lancaster Circus, one of the Council's main office bases at that time with the loss of 1,960 workstations.
- 3.4 The NWOW programme set out further mechanisms of managing and improving this agility in working style, resulting in additional opportunities to reduce the Central Administration Buildings (CAB) footprint through more intensive rationalisation linked to a template for more locality working. Proposals within the Medium-Term Financial Plan included the potential for the Council to divest itself

of a number of other office buildings including for the disposal of Woodcock Street.

- 3.5 During the Covid pandemic, like many organisations, many office-based Council staff were required to work at home for a time. As the pandemic receded, hybrid working has now become the norm and Woodcock Street occupancy levels have remained consistently low.
- 3.6 The Council has only fully operated the ground and second floor of Woodcock Street and plateaus in occupancy rates over the last 18 months indicate it is highly unlikely either the void space or the floors which are fully accessible will ever be fully utilised again, and the building will never return to its former occupancy levels. Occupancy levels are constantly monitored with average usage of around 300 building user visits per day, compared to the pre-Covid average occupancy of circa. 2,500 building user visits per day.
- 3.7 To mitigate the ongoing revenue pressures on the Council it was decided that alternative use options needed to be identified for the building at the earliest opportunity. Property Consultants Cushman and Wakefield were appointed by the Council to act in this matter and secure a divestment proposal which represented best value.
- 3.8 A preferred purchaser has been identified and terms agreed. Under the terms of the sale the purchaser will be required to exchange contracts as soon as practical after grant of consent to the Purchaser's change of use Planning Application and expiration of the Judicial Review Period. Details of the financial terms are set out in Exempt Appendix 2 of this report.
- 3.9 A S151 spend board approval has been obtained for circa. £200k to cover the cost of removals and decommissioning in respect of yielding up vacant possession of the Woodcock Street building to the purchaser. In parallel a S151 spend board submission is being considered in relation to an enabling works package to enable the reprovision of office facilities and the better utilisation of the space currently available in the Council House, Council House Extension and Library of Birmingham.
- 3.10 The proposed sale terms negotiated represent best consideration under S123 of the Local Government Act 1972 and has been validated by Cushman and Wakefield and the Assistant Director of Investment and Valuation.

4 Options considered and Recommended Proposal

4.1 Option 1 – Do Nothing

10 Woodcock Street is and will remain under – utilised. The building costs in the region of £2 million per annum to run and in terms of a daily average, it rarely has more than 400 building user visits making it a very expensive building to maintain and run when calculating this on a per capita bias. In this scenario the negotiated capital receipt would not be realised either and would not be available to support the Council's Financial Recovery Plan 2024.

4.2 Option 2 – Council retains and leases out the unoccupied floors.

Professional advice received indicated there is no substantive office requirement in this location from a single occupier and the most likely tenants would come from the educational sector. The design of the building does not readily lend itself to multiple occupations or the splitting of floors therefore subdivision would be prohibitively expensive rendering alternative options unviable. However, consideration has been given to alternative options and discounted on viability grounds.

4.3 Option 3 – Proceed with the Agreed Transaction.

It is recommended to proceed with the transaction outlined in this report in line with the aims of the current strategy and the external advice obtained, to deliver a capital receipt to support the Councils Financial recovery plan and savings in annual running costs of the corporate estate by £2 million per annum and deliver savings to the revenue budget.

5 Consultation

- 5.1 The Nechells Ward member has been consulted on the content of this report and the comments are noted in the Ward member consultation form. The Ward member has made comments which include the site's location within the Knowledge Quarter, the potential increase in value that may arise once the HS2 station is opened and whether pausing the sale should be considered given the above. Officers will be meeting the Ward member before the committee meeting on the 26th of June to clarify and address these concerns.
- 5.2 Trade Union Consultation has focused on the re-provision of facilities for building users and a dialogue is ongoing to ensure appropriate and accessible working conditions are maintained.
- 5.3 An engagement strategy to communicate the proposals and the details of re-provision arrangements is in train and regular comms messaging will be cascaded to all impacted staff. Detailed consultation has taken place with relevant officers in leadership and management positions to ensure any impact on service delivery related to the building closure are minimised.
- 5.4 As potential closure of the building approaches to both realise early revenue savings and obtain vacant possession in advance of any disposal, engagement and communications has been ramped up over recent weeks, this has involved regular updates to CTU and DTU meetings as appropriate and also targeted comms to impacted managers, teams and indeed all building users to invite further dialogue to ensure any and all re-provision solutions can be considered adequate in the short term at least, where proposed immediate solutions are sub-optimal alternative options are being considered for the more medium term.
- 5.5 A particular priority as part of the communications and messaging has been ensuring the Corporate Landlord service, People Services and Occupation Health are fully aligned in making sure adequate and appropriate re-provision

arrangements are being put in place for displaced building users with identified (or previously unidentified) reasonable adjustment requirements. The engagement in this area is essential to ensure all such needs are captured and addressed.

- 5.6 The Economy, Skills and Culture Overview and Scrutiny Committee undertook pre decision scrutiny on 12 June 2024. Exempt Appendix 6 sets out their recommendations, the key points arising from their discussions and the response in more detail. In summary, the Committee made three recommendations:

1.1 The Committee is satisfied in line with section 123(2) of the Local Government Act 1972, that the Council is intending to dispose of land for consideration at the best that can be reasonably obtained. However, the Committee had concerns that the wider context has not been considered properly including benefitting from potential higher market values in the future. Furthermore, the Committee would like to understand whether there is any retained debt for this site and whether the Council will have any liabilities from an asset it no longer owns.

1.2 Although the Committee accepted the sales approach adopted in this proposed asset disposal, the Committee questioned whether this sets a precedent for other asset disposals.

1.3 The Committee is concerned that the Council House is not suitable to meet the needs of a modern workforce especially with regards to recruitment and retention of staff.

- 5.7 This is a summary of a more detailed response in Exempt appendix 6 which includes Officer responses to the Committee comments.

6 Risk Management

- 6.1 The proposed sale structure maximises the value of the building and capital receipt back to the City Council whilst also removing the ongoing revenue cost and maintenance liability.

7 Compliance Issues:

- 7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 The decisions recommended in this report will facilitate the repurposing of the building.

7.1.2 The proposed sale transaction and generation of a capital receipt supports the Financial Recovery Plan by generating resources and thus helping to achieve a balanced budget.

7.1.3 It is consistent with the City Council Financial Plan 2020-2024 and Financial Plan 2021-2025 as the additional income helps the Council to meet the aspirations to be:

- Prosperous: through continued economic growth, tackling unemployment, attracting inward investment and infrastructure. The scheme will deliver on actions within the Council Plan to concentrate on significant areas of opportunity, by facilitating jobs and training opportunities in an area of deprivation within East Birmingham, using the City Council's property assets to accelerate regeneration and investment.
- Inclusive: through empowered citizens, supporting young people to fulfil potential, and promoting diversity, opportunities, and culture.
- Safe: through tackling anti-social behaviour & hate crime, housing provision and addressing homelessness, and improving living environments, civic pride & culture.
- Healthy: through tackling health inequalities, encouraging and enabling physical activity and healthy living, quality of care, and helping to support mental health.
- Green: by improving the cleanliness of our city and its streets, improving the environment and air quality, carbon reduction and enabling an inclusive green transition.

7.2 Legal Implications

- 7.2.1 Sections 120 to 123 of the Local Government Act 1972 authorises the Council to acquire, appropriate, and dispose of land. The disposal power in S123 of the Local Government Act 1972 is subject to the best consideration test. The Assistant Director Investment & Valuation has confirmed the recommended sale, as detailed in Exempt Appendices 2, 3 and 4 represents best consideration and satisfies the Council's obligations under the Act.
- 7.2.2 Section 1 of the Localism Act 2011 contains the Council's general power of competence, which is circumscribed only to the extent of any applicable pre – commencement restrictions and any specific post – commencement statutory restriction of the power, and Section 111 of the Local Government Act 1972 contains the Council's ancillary financial and expenditure powers in relation to the discharge of its functions, including the disposal and acquisition of property.
- 7.2.3 The Local Government Act 2003 and guidance issued under it authorises the Council's investment management functions.
- 7.2.4 Exempt information: Schedule 12A of the Local Government Act 1972 (as amended) Paragraph 3. Information relating to the financial or business affairs of any particular person (including the Council). Exempt Appendices 2, 3 and 4 are considered to contain commercially sensitive information of a financial or business nature, which if disclosed to the public could be prejudicial to a named person, individual or company and in the public interest to keep exempt.

7.2.5 The Council's in-house legal team will complete all legal matters associated with the transaction.

7.3 Financial Implications

7.3.1 The transaction will generate a capital receipt for the Council, as set out in Exempt Appendix 2. The use of the capital receipt from this asset together with the ongoing revenue saving is intended to support the City Council's Financial Recovery plan to ensure a balanced budget and prioritise the generation of capital receipts.

7.3.2 External advice has been obtained on the proposed sale and it is considered that the proposal represents best consideration.

7.3.3 The purchaser will pay a contribution towards the Council's professional surveyor and legal fees related to the disposal as detailed in Exempt Appendix 2.

7.3.4 Upon exchange of contracts the purchaser will pay a non-refundable deposit of 10% as set out in Exempt Appendix 2.

7.4 Procurement Implications

7.4.1 N/A.

7.5 Human Resources Implications

7.5.1 In line with the wider CAB Reduction savings initiative and the recent round of targeted voluntary redundancies it is not anticipated that the closure will have any significant impact on staff in building and facilities management roles, remaining staff being redeployed to other buildings etc.

7.5.2 In light of the above and on account of the likely delay between the closure of the building, the completion of the sale and then the reoccupation by the purchaser for a different use, it is envisaged that TUPE regulations will be unlikely to apply to any Council officers employed at the date of transfer.

7.5.3 It is recognised that a significant proportion of Council employees have Woodcock Street referenced as their main administration base, consultation has commenced in respect of engaging with these staff in respect of re-provision arrangements in terms of accommodation and as such this will need to be addressed in terms of providing an alternative administrative centre which in most instances is likely to be the Council House.

7.6 Public Sector Equality Duty

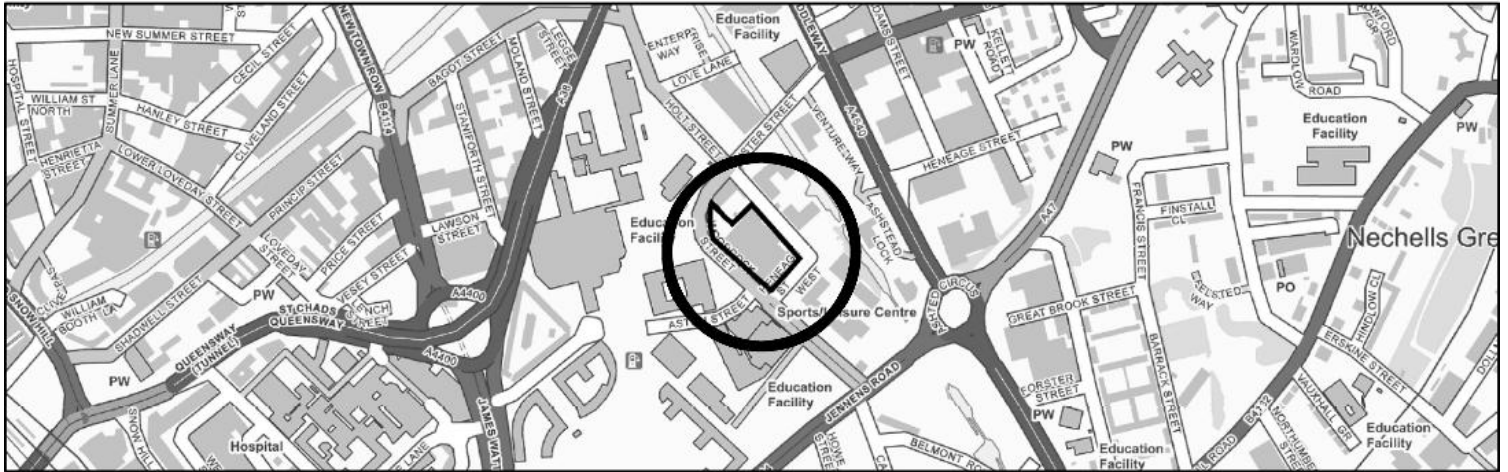
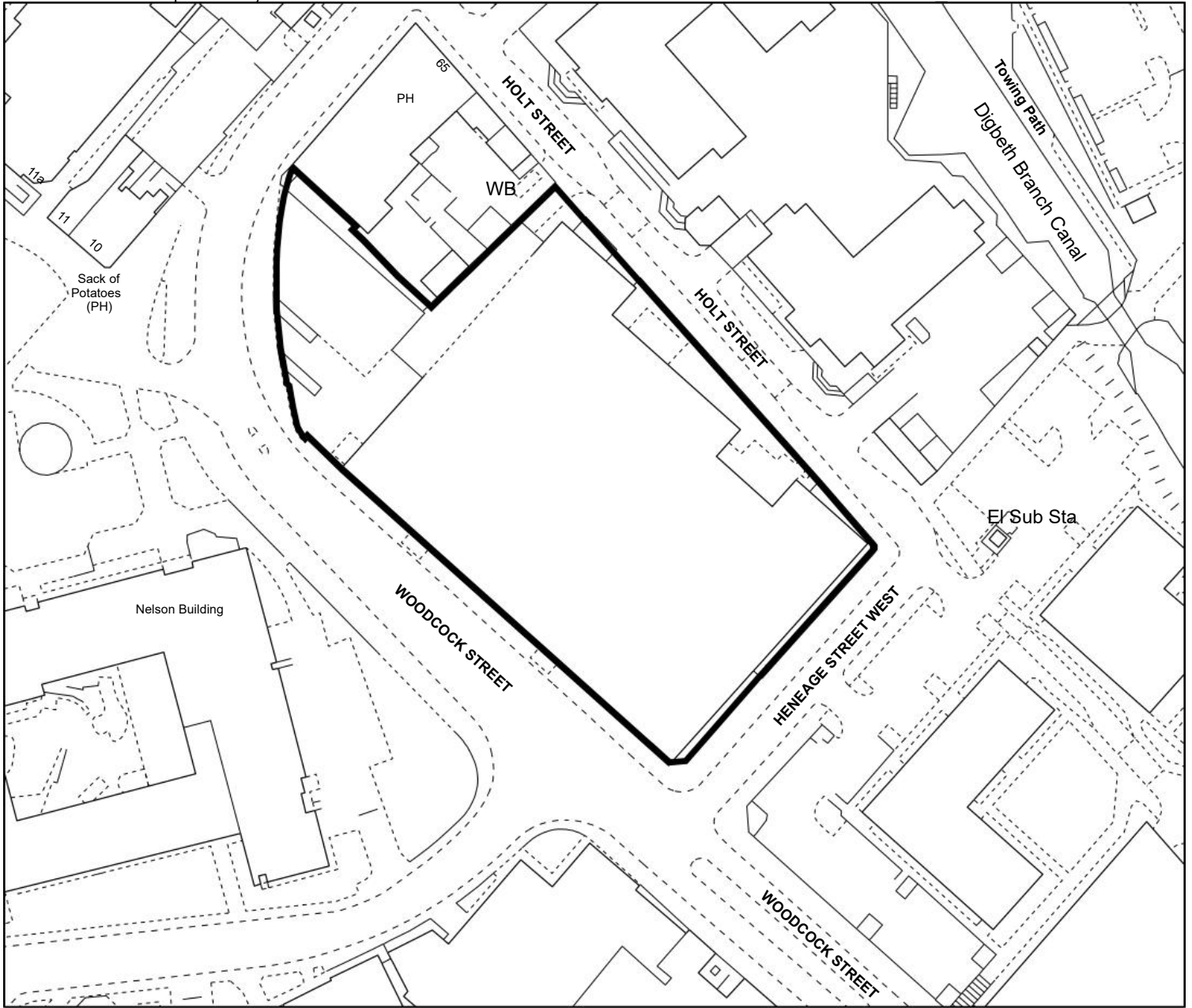
7.6.1 An Equality Assessment has been carried out in connection with the building closure and the other space reductions applicable to the CAB portfolio and this document is attached at Appendix 5. This identifies no adverse impacts on any groups protected under the Equality Act 2010.

7.6.2 As referenced in the consultation section of this paper a number of relevant services have worked collaboratively to ensure that all building users with reasonable adjustment requirements who may have had dedicated and/or specialist provision in the Woodcock Street facility are enabled to continue to work effectively from the revised accommodation profile post any building closure and disposal.



8 Appendices

8.1

- Appendix 1 – Plan
- Exempt Appendix 2 – Private Report
- Exempt Appendix 3 – Heads of Terms
- Exempt Appendix 4 - Agent report
- Appendix 5 - Equality Assessment
- Exempt Appendix 6 - Overview and Scrutiny Pre Decision Summary 12 June 2024.
- Appendix 7 – Ward Member Consultation Public
- Exempt Appendix 8 – Ward Member Consultation



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 <p>Birmingham City Council</p>	<p>Kathryn James Assistant Director of Investment and Valuation Place, Prosperity & Sustainability Directorate 10 Woodcock Street Birmingham, B7 4BG</p>			
<p>10 Woodcock Street Nechells B7 4BL</p>		<p>Scale (Main Map)</p>	<p>Drawn</p>	<p>Date</p>
<p>Page 57 of 84 O.S.Ref SP0787NE</p>		<p>1:1,250</p>	<p>Bharat Patel</p>	<p>30/04/2024</p>



EQUALITY IMPACT ASSESSMENT

Reduction in CAB premises (and delivery of associated savings). 'CAB' being the acronym for Council Administered Buildings.

Reference: EIA000309

Date: 26/01/2024

Submitted by: david.m.harris@birmingham.gov.uk



EIA Form – About your EIA

Reference number	EIA000309
Date Submitted	26/01/2024
Subject of the EIA	Reduction in CAB premises (and delivery of associated savings). 'CAB' being the acronym for Council Administered Buildings.
Brief description of the policy, service or function covered by the EIA	This activity relates to the re-profiling of the Council's accommodation profile in respect of providing administrative buildings and general purpose office and meeting spaces. This proposal specifically relates to a reduction in the number of buildings that make up the CAB Estate. It is proposed that subject to relocation of the functions, the land and buildings that become surplus as a result of this exercise will be sold.
Equality Assessment is in support of...	["New strategy", "Amended function"]
How frequently will you review impact and mitigation measures identified in this EIA?	Annually
Due date of the first review	2025-01-17

Directorate, Division & Service Area

Which directorate(s) are responsible for this EIA?	["Places, Prosperity and Sustainability"]
Division	Property & Investment
Service area	Corporate Landlord
Budget Saving	Yes

Officers

What is the responsible officer's email address?	david.m.harris@birmingham.gov.uk
What is the accountable officer's email address?	philip.nell@birmingham.gov.uk

Data Sources

Data sources	["Relevant reports/strategies", "specific data set: building usage"]
Data source details	Usage data in relation to building user visits and nature of use relative to the in scope CAB assets is collated and recorded on a monthly basis. Building User data can be provided on request.

Protected Characteristics



Protected Characteristic – Age

Does this proposal impact people due to their age as per the Equality Act 2010?	Yes
What age groups are impacted by your proposal?	["0-9 years", "10-19 years", "20-29 years", "40-49 years", "30-39 years", "50-59 years", "60-69 years", "70-79 years", "80-89 years", "90 years or over"]
Please describe the impact to the age characteristic	Due to the changes proposed to the CAB footprint it is possible that certain age groups could find it more difficult to access the assets proposed for retention and optimisation (as opposed to the assets identified for disposal) and indeed the CAB asset base and the specific buildings it consists of can vary in terms of the age characteristics of the building users
How will you mitigate against any negative impact to the age characteristic?	As part of the selection and consideration exercise to understand the suitability of the proposed new CAB asset profile and footprint, the ability for all colleagues and visitors to access the retained buildings was a key criteria. As such the location and accessibility of the buildings to take most of the strain e.g. The Council House, The Council House Extension and meeting space in the Library of Birmingham are well served by public transport and City Centre car parking provision. Where accessibility to these buildings or areas of these buildings is compromised we are putting mitigations in place to address these issues or make reasonable adjustments to mitigate them, this activity being planned in advance of the closure and disposal of potentially surplus assets.

Protected Characteristic – Disability

Does this proposal impact those people with a disability as per the Equality Act 2010?	Yes
Please describe the impact to the disability characteristic	If the transition to the new CAB footprint is not managed effectively there is a risk that accessibility of our buildings to colleagues and visitors may be detrimentally impacted however using the mechanisms set out below it is intended to ensure that the assets identified for the relocation of services and functions are improved or adapted to make them capable of accommodating this demand. It is essential that the transition is phased and any interim arrangements are acceptable, this will be a central part of the stakeholder engagement process associated with the proposals.



<p>How will you mitigate against any negative impact to the disability characteristic?</p>	<p>A matrix management approach is being adopted to mitigate against any associated risks around moving services and building users to spaces that could be considered less accessible when compared to some of the buildings now identified for fairly immediate vacation and disposal (on account of their underutilisation and the need to generate revenue efficiencies and capital receipts). This approach includes: refreshing intelligence held in respect of building users with specific requirements; consultation with this user group (and TUs); providing options in terms of re-provision or alternative ways of working (both digital and physical); and finally investing in the retained portfolio of buildings (specifically the Council House) to make reasonable adjustments - to ensure it is more accessible and user-friendly for the interim period. This is until the long term asset solution for the Council's administrative accommodation need is more fully defined.</p> <p>A communications and stakeholder engagement plan is being produced in draft. David Harris (AD for Corporate Landlord) is in communication with CLT and Katy Fox, in respect of ensuring meaningful consultation takes place with colleagues (more specifically around the introduction of a 'booking' system, and the culture of sharing space and working in an agile way), as well as with trade unions (as appropriate).</p>
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Protected Characteristic – Sex

<p>Does this proposal impact citizens based on their sex as per the Equality Act 2010?</p>	<p>No</p>
<p>What sexes will be impacted by this proposal?</p>	
<p>Please describe the impact to the sex characteristic</p>	
<p>How will you mitigate against any negative impact to the sex characteristic?</p>	

Protected Characteristic - Gender Reassignment

<p>Does this proposal impact people who are proposing to undergo, undergoing or have undergone a process to reassign one's sex as per the Equality Act 2010?</p>	<p>No</p>
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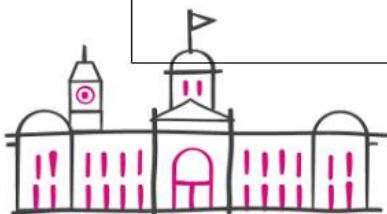
Please describe the impact to the gender reassignment characteristic	
How will you mitigate against any negative impact to the gender reassignment characteristic?	

Protected Characteristic - Marriage and Civil Partnership

Does this proposal impact people who are married or in a civil partnership as per the Equality Act 2010?	No
What legal marital or registered civil partnership status will be impacted by this proposal?	
Please describe the impact to the marriage and civil partnership characteristic	
How will you mitigate against any negative impact to the marriage and civil partnership characteristic?	

Protected Characteristic - Pregnancy and Maternity

Does this proposal impact people covered by the Equality Act 2010 under the protected characteristic of pregnancy and maternity?	Yes
Please describe the impact to the pregnancy and maternity characteristic	It is accepted that some of the risks associated with accessibility of the buildings being retained and access to the facilities in those buildings proposed for closure and vacation will also apply to this protected characteristic i.e. potential mobility issues and as such it is recognised that the proposals for the revised CAB asset profile must ensure that the quality of accommodation and facilities provided currently is maintained and therefore buildings users will not experience any noticeable impact.
How will you mitigate against any negative impact to the pregnancy and maternity characteristic?	Current facilities and working conditions in Woodcock Street, and other assets identified for disposal, will be replicated and re-provided in the proposed 'interim' CAB solution. This will entail making enhanced use of the Council House to provide the majority of the replacement capacity. Improvements will be made to facilities in the Council House and other retained access, to ensure there is



	no impact on the quality of provision or working conditions -including those conditions for specific individuals or groups.
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Protected Characteristic - Ethnicity and Race

Does this proposal impact people due to their race as per the Equality Act 2010?	No
What ethnic groups would be impacted by this proposal?	
Please describe the impact to the ethnicity and race characteristic	
How will you mitigate against any negative impact to the ethnicity and race characteristic?	

Protected Characteristic - Religion or Beliefs

Does this proposal impact people's religion or beliefs as per the Equality Act 2010?	Yes
What religions could be impacted by this proposal?	["No religion"]
Please describe the impact to the religion or beliefs characteristic	There is a risk that if not addressed the multi faith room at the Council House could be considered to be of a lesser quality that the provision currently available in Woodcock Street.
How will you mitigate against any negative impact to the religion or beliefs characteristic?	In parallel to this proposal work, plans are already in place (pending spend board approval) to improve the prayer room facilities in the Council House. Ostensibly, all facilities offered in Woodcock Street, or elsewhere, to accommodate this characteristic are already available in Council House. There will be no loss of functionality - if anything, the current provision and facilities will be enhanced.

Protected Characteristic - Sexual Orientation

Does this proposal impact people's sexual orientation as per the Equality Act 2010?	No
What sexual orientations may be impacted by this proposal?	



Please describe the impact to the sexual orientation characteristic	
How will you mitigate against any negative impact to the sexual orientation characteristic?	

Monitoring

How will you ensure any adverse impact and mitigation measures are monitored?	<p>Relocation of building-users from CAB assets, that have been identified for divestment into the interim CAB solution, will be phased. Services and directorates will be regularly engaged to ensure a smooth transition, as well as to enable the programme of relocations and enabling works to be agile in response to emerging requirements or specific building-user issues. This monitoring and engagement will be enhanced in respect of moves involving colleagues with identified 'access to work' needs.</p> <p>A stakeholder engagement plan will be produced to manage communications with building-users and other stakeholders. No fixed exit dates for specific assets are as yet set out. However, the phased relocation of accommodation to meet general and specific needs is proposed to take place from now (Jan 2024) through to summer 2024 - for those assets identified for disposal in the initial tranche of activity e.g. Woodcock Street, Sutton New Road and New Aston House. Disposal is expected to occur at the earliest opportunity post decant and building closure (subject to market conditions and terms agreed etc.).</p> <p>This timeframe will be under continuous review. The initial stakeholder engagement plan is to be prepared by end of Jan 2024: with this being formally reviewed and refreshed by end of March 24. By this stage, more certain milestones - in respect of building closure and the re-provision proposals - will be available.</p>
Please enter the email address for the officer responsible for monitoring impact and mitigation	david.m.harris@birmingham.gov.uk



Ward Member Consultation Disposal of Land at Woodcock St -

PROPERTY ADDRESS	WARD	CONSULTATION	COUNCILLOR RESPONSE	RESPONSE
<p><u>Disposal of Land at Woodcock St</u></p>	<p>Nechells</p>	<p>Email dated 30/5/24 from Cllr Lee Marsham.</p>	<p>I have concerns around the Council and the city not receiving best value for money with the agreed stated price, and the special arrangement that has been made for this site.</p> <p>The building sits within the knowledge quarter, is in the East Birmingham development zone, and very close to the new HS2 Curzon Street station. All of which should see a rise in the value of the land in the coming years, meaning that future earning potentials could be greater.</p> <p>First sentence moved to Exempt Appendix 8. It does raise concerns that a higher fee could be obtained if an open market sale was considered, notwithstanding external environment factors.</p> <p>Given the Council may own other land nearby, and the strategic importance of this part of the city I believe this sale should be paused to consider to get better value for money; if it could be sold as part of larger parcels of land or buildings nearby for better strategic purposes, the possible rate the site could fetch in a competitive open market and to consider if future land values mean the site should be held on to for now.</p> <p>I do believe that the site in its current use as a Council office can be repurposed or disposed of going forward.</p>	<p>30/05/24: Dear Councillor Marsham, many thanks for your prompt response which we look forward to discussing with you further.</p>

Birmingham City Council
Report to Cabinet Committee Property
26 June 2024



Subject: **Sale of The Elegance Suite, 129-142 Great Francis Street, Nechells, Birmingham B7 4QX**

Commissioner's Review:

Commissioners supports the recommendations.

Birmingham City Council
Report to Cabinet Committee Property

26th June 2024



Subject: **Sale of The Elegance Suite, 129-142 Great Francis Street, Nechells, Birmingham B7 4QX**

Report of: Strategic Director of Place, Prosperity and Sustainability – Philip Nell

Relevant Cabinet Member: Councillor Sharon Thompson – Deputy Leader and Economy and Skills

Relevant O & S Chairs: Councillor Sir Albert Bore – Corporate and Finance
Councillor Katherine Iroh – Economy, Skills & Culture

Report author: Ian Chaplin, Head of Investment Property Management – Investment & Valuation Division

Contact: ian.chaplin@birmingham.gov.uk

Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Bordesley Green		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Exempt information Schedule 12A of the Local Government Act 1972 (as amended) Paragraph 3. Information relating to the financial or business affairs of any particular person (including the council) Exempt Appendices 2, 3, and 5 contain sensitive commercial information on the purchase price and valuation.		

1 **Executive Summary**

- 1.1 This report seeks authority for the sale of the Council's freehold reversionary interest in the Elegance Suite, 129-142 Great Francis Street, Nechells, Birmingham to the tenant occupier.
- 1.2 The property has a site area of approximately 0.54 acres and is shown edged red on the attached plan at Appendix 1.
- 1.3 The recommendations contained in this report and the Exempt Appendices 2, 3 and 5 will generate a capital receipt supporting the Council's Financial Recovery Plan by generating resources and thus helping to achieve a balanced budget.
- 1.4 Options for this land have been fully considered and the sale of the site provides the best outcomes for the city as detailed in the Exempt Appendix 2.

2 **Recommendations:**

- 2.1 Authorise the Strategic Director of Place, Prosperity and Sustainability to conclude an unconditional sale of the Council's freehold reversionary interest, to the current tenant.
- 2.2 Note that the purchaser will pay a contribution towards the Council's surveyor's and legal costs, as detailed in Exempt Appendix 2.
- 2.3 Authorises the City Solicitor to prepare, negotiate, execute and complete all relevant legal documentation to give effect to the above

3 **Background**

- 3.1 The property comprises a two storey and single wing building built circa 1955, fronting onto Nechells Parkway and accessed via Little Hall Road. The building was formerly used as an Ex-Serviceman's Social Club and later converted for commercial use.
- 3.2 The overall site is shown edged red on the plan at Appendix 1 of this report.
- 3.3 The property is owned freehold by the City Council and is currently operated as a wedding and function venue. The property is occupied under two leases; the primary lease for the building and main car park is for a term of 75 years expiring 28th September 2029 at a rent of £160 per annum, and the ancillary car park is let on a shorter term tenancy generating a gross rent of £3,600 per annum. The asset is held within the Council's commercial property portfolio.
- 3.4 Following a comprehensive review of the Council's commercial property portfolio, supported by appointed advisors Avison Young in 2020, the Council's interest in this property has been identified for potential sale.

- 3.5 In accordance with agreed process, Council officers have subsequently offered, negotiated and agreed terms with the occupying tenant for the sale of the Council's freehold interest in the property.
- 3.6 The outcome of the negotiations and recommendations for sale are detailed in Exempt Appendices 2 and 5. The Heads of Terms are attached in Exempt Appendix 3.
- 3.7 The proposed sale represents best consideration and has been validated as such by the Assistant Director of Investment & Valuation based upon an analysis of the financial terms of the recommended sale, consideration the Council's Property Strategy, and wider aspirations and ambitions for the City.
- 3.8 Exempt Appendix 5 contains a decision making matrix setting out disposal decision to support delivery of the Property Investment Strategy aim of rebalancing of the commercial portfolio. The receipt will be directed to aiding the City Council's current Financial Recovery Plan.

4 Options Considered and Recommended Proposal

- 4.1 **Option 1 - Do Nothing.** The Council is under no obligation to proceed with the proposal and would suffer no reputational consequences if it did not proceed. It would not, however, be in line with the aims of the Property Strategy or the external advice obtained to support delivery of the Strategy. The negotiated capital receipt would not be realised at this time and would not be available to fund Council expenditure, with there being no guarantee of a future opportunity. The property is not allocated, nor does it have planning consent for an alternative use and is therefore not an immediate development opportunity. The property does not have an obvious alternative use which would benefit the Council.
- 4.2 **Option 2 – Dispose of the Property to Council Wholly Owned Company (WOC)**
The property is not deemed to be of a strategic value to the Council or a significant development opportunity such that it would wish to retain overall control of the asset through transfer into a WOC. In addition, there is limited income from the property to support and fund a sale of this nature.
- 4.3 **Option 3 – Proceed with Agreed Transaction** It is recommended to proceed with the transaction outlined in this report, in line with the aims of the Property Strategy and the external advice obtained to support delivery of the Strategy to deliver a capital receipt to help the Council's Financial Recovery Plan. The sale to the tenant will give the tenant the ability to invest in the asset and secure/create jobs.

5. Consultation

- 5.1 The Property Investment Board comprising officers from Investment & Valuation, Finance and Legal recommends proceeding with the transaction.
- 5.2 The Ward Councillor was notified on 18/12/2023. No further external consultation is necessary for this commercial transaction.

6. Risk Management

- 6.1 There are no immediate risks to the Council's holding if the transaction does not complete since its interests are protected under the terms of the existing lease.
- 6.2 The 'risk' of not proceeding could only be seen in terms of a lost opportunity to generate a capital receipt to support the Council's Financial Recovery Plan.

7. Compliance Issues:

- 7.1.1 The proposed sale transaction and generation of a capital receipt supports the Council's Financial Recovery Plan by generating resources and thus helping to achieve a balanced budget.
- 7.1.2 It is consistent with Birmingham City Council Plan priorities as the additional income helps the Council to meet the aspirations to be a bold prosperous Birmingham, a bold inclusive Birmingham, a bold safe Birmingham, a bold Healthy Birmingham and a bold Green Birmingham.

7.2 Legal Implications

- 7.2.1 Sections 120 - 123 of the Local Government Act 1972 authorise the Council to acquire, appropriate and dispose of land. The disposal power in Section 123 of the Local Government Act 1972 is subject to the best consideration test. The Assistant Director Investment & Valuation has confirmed that the recommended sale, as detailed in Exempt Appendix 2 represents best consideration and satisfies the Council's obligations, under Section 123 of the Local Government Act 1972.
- 7.2.2 Section 1 of the Localism Act 2011 contains the Council's general power of competence, which is circumscribed only to the extent of any applicable pre-commencement restrictions and any specific post-commencement statutory restriction of the power, and Section 111 of the Local Government Act 1972 contains the Council's ancillary financial and expenditure powers in relation to the discharge of its functions including the disposal and acquisition of property.
- 7.2.3 The Local Government Act 2003 and guidance issued under it authorises the Council's investment management functions.
- 7.2.4 Exempt information: Schedule 12A of the Local Government Act 1972 (as amended) Paragraph 3. Information relating to the financial or business affairs of any particular person (including the Council). Exempt Appendices 2, 3 and 5 are exempt as they contain commercially sensitive information of a financial or business nature, which if disclosed to the public could be prejudicial to a named person, individual or company.
- 7.2.5 The Council's in-house Legal team will complete all legal matters associated with the transaction.

7.3 Financial Implications

- 7.3.1 The transaction will generate a capital receipt for the Council, as set out in Exempt Appendix 2.
- 7.3.2 The property currently generates a gross annual rental of £3,760 per annum (derived from the two leases under which it is occupied). This will be lost to the City Council, provision for which is being made in the Financial Plan 2024 to adjust the commercial portfolio income budget for disposals under the programme. The use of the capital receipt from this specific asset will contribute to the City Council's Financial Recovery Plan 2024, to ensure a balanced budget and prioritise the generation of capital receipts.
- 7.3.3 As the site is currently let on full repairing and insuring terms (the tenant picks up all those costs), the holding costs related to this asset are limited to the cost of City Council officer time incurred in managing the agreements as part of the wider City portfolio of properties and these are not specifically recorded or measured.
- 7.3.4 The purchaser will pay a contribution towards the City Council's professional costs related to the disposal as detailed in Exempt Appendix 2.
- 7.3.5 The purchase price, including any contribution towards the City Council's professional costs relating to the disposal, is exclusive of VAT. However, as the City Council has not opted to tax the site, nor intends to do so prior to the disposal, VAT is not chargeable on the purchase price.

7.4 Procurement Implications

- 7.4.1 Not applicable

7.5 Human Resources Implications

- 7.5.1 Internal resources and external agents are used to evaluate and execute the transaction.

7.6 Public Sector Equality Duty

- 7.6.1 An Equality Impact Assessment has been carried out – **EIA000365** dated 09/02/2024 is attached as Appendix 4. This identifies no adverse impacts on any groups protected under the Equality Act 2010.

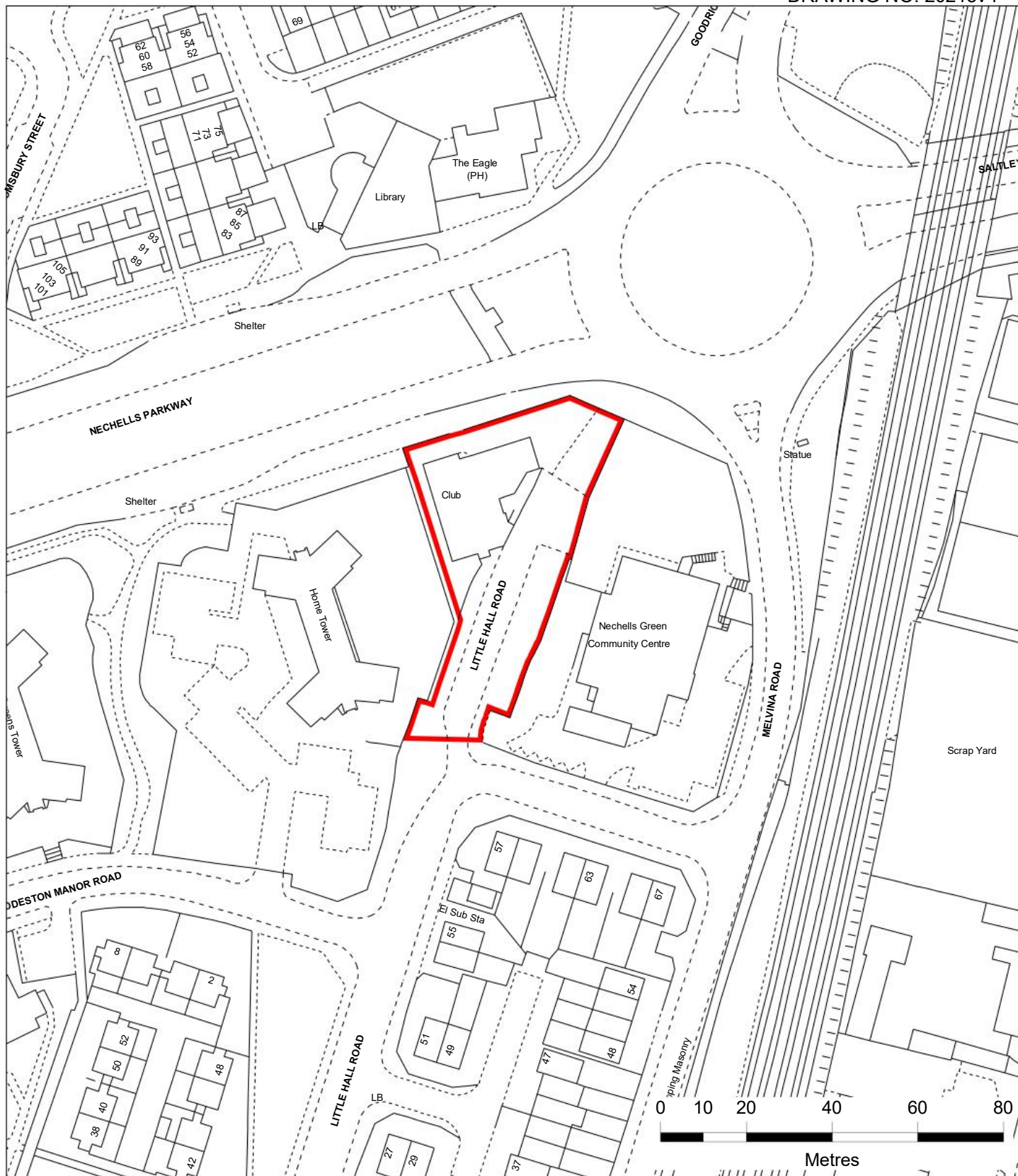
8. Appendices

8.1 List of Appendices accompanying this Report (if any):



- Appendix 1 – Site Plan
- Appendix 2 - (Exempt) – Recommendations
- Appendix 3 – (Exempt) – Recommendation Report and Heads of Terms
- Appendix 4 - Equality Impact Assessment EIA000365
- Appendix 5 - (Exempt) - Decision Matrix

9 Background Documents

- Property Strategy (Approved by Full Cabinet – November 2018)
- Property Investment Strategy (Approved by Full Cabinet – July 2019)



AREA EDGED RED 2299 SQ. METRES APPROX. 2750 SQ. YARDS APPROX.

 Birmingham City Council	Kathryn James Assistant Director of Investment and Valuation Place, Prosperity & Sustainability Directorate 10 Woodcock Street Birmingham, B7 4BG			
	The Elegance Suite 129-142 Great Francis Street Nechells		SCALE	DRAWN
	1:1,250		MI	16/11/2023

EQUALITY IMPACT ASSESSMENT

Sale of The elegance Suite, 129-142, Great Francis Street, Nechells, Birmingham, B7 4QX

Reference:

Date:

Submitted by:



EIA Form – About your EIA

Reference number	
Date Submitted	
Subject of the EIA	
Brief description of the policy, service or function covered by the EIA	
Equality Assessment is in support of...	
How frequently will you review impact and mitigation measures identified in this EIA?	
Due date of the first review	

Directorate, Division & Service Area

Which directorate(s) are responsible for this EIA?	
Division	
Service area	
Budget Saving	

Officers

What is the responsible officer's email address?	
What is the accountable officer's email address?	

Data Sources

Data sources	
Data source details	

Protected Characteristics
Protected Characteristic – Age

Does this proposal impact people due to their age as per the Equality Act 2010?	
What age groups are impacted by your proposal?	
Please describe the impact to the age characteristic	
How will you mitigate against any negative impact to the age characteristic?	



Protected Characteristic – Disability

Does this proposal impact those people with a disability as per the Equality Act 2010?	
Please describe the impact to the disability characteristic	
How will you mitigate against any negative impact to the disability characteristic?	

Protected Characteristic – Sex

Does this proposal impact citizens based on their sex as per the Equality Act 2010?	
What sexes will be impacted by this proposal?	
Please describe the impact to the sex characteristic	
How will you mitigate against any negative impact to the sex characteristic?	

Protected Characteristic - Gender Reassignment

Does this proposal impact people who are proposing to undergo, undergoing or have undergone a process to reassign one's sex as per the Equality Act 2010?	
Please describe the impact to the gender reassignment characteristic	
How will you mitigate against any negative impact to the gender reassignment characteristic?	

Protected Characteristic - Marriage and Civil Partnership

Does this proposal impact people who are married or in a civil partnership as per the Equality Act 2010?	
What legal marital or registered civil partnership	



status will be impacted by this proposal?	
Please describe the impact to the marriage and civil partnership characteristic	
How will you mitigate against any negative impact to the marriage and civil partnership characteristic?	

Protected Characteristic - Pregnancy and Maternity

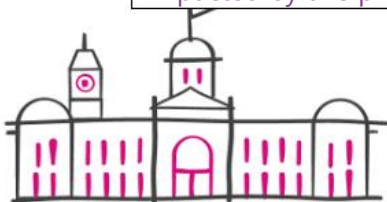
Does this proposal impact people covered by the Equality Act 2010 under the protected characteristic of pregnancy and maternity?	
Please describe the impact to the pregnancy and maternity characteristic	
How will you mitigate against any negative impact to the pregnancy and maternity characteristic?	

Protected Characteristic - Ethnicity and Race

Does this proposal impact people due to their race as per the Equality Act 2010?	
What ethnic groups would be impacted by this proposal?	
Please describe the impact to the ethnicity and race characteristic	
How will you mitigate against any negative impact to the ethnicity and race characteristic?	

Protected Characteristic - Religion or Beliefs

Does this proposal impact people's religion or beliefs as per the Equality Act 2010?	
What religions could be impacted by this proposal?	



Please describe the impact to the religion or beliefs characteristic	
How will you mitigate against any negative impact to the religion or beliefs characteristic?	

Protected Characteristic - Sexual Orientation

Does this proposal impact people's sexual orientation as per the Equality Act 2010?	
What sexual orientations may be impacted by this proposal?	
Please describe the impact to the sexual orientation characteristic	
How will you mitigate against any negative impact to the sexual orientation characteristic?	

Monitoring

How will you ensure any adverse impact and mitigation measures are monitored?	
Please enter the email address for the officer responsible for monitoring impact and mitigation	



