

# Birmingham City Council

## Report to Cabinet

29<sup>th</sup> October 2019



**Subject:** HS2 CURZON STATION ENHANCED PUBLIC REALM PROJECT

**Report of:** Director - Inclusive Growth

**Relevant Cabinet Member:** Councillor Ian Ward, Leader of the Council  
Councillor Tristan Chatfield, Cabinet Member for Finance and Resources

**Relevant O & S Chair(s):** Councillor Tahir Ali, Economy and Skills  
Councillor Sir Albert Bore, Resources

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Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s): Ladywood, Nechells		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 006208/2019		
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 Appendix 3 and 4		
If relevant, provide exempt information paragraph number or reason if confidential: Exempt information paragraph 3. Information relating to the financial or business affairs of any particular person (including the council)		

### 1 Executive Summary

- 1.1 The arrival of HS2 into Birmingham City Centre in 2026 is a once in a generation opportunity to drive growth in the City. In order to maximise the economic benefits Birmingham City Council (BCC) launched the Curzon Masterplan in 2015, which included a number of 'Big Moves' to ensure the new HS2 Curzon Station delivered a world class design that maximises the connectivity for

pedestrians and public transport in and around the station within a high-quality public realm environment. This report seeks authority to accept a capital grant from the Greater Birmingham and Solihull Local Enterprise Partnership Enterprise Zone (GBSLEP EZ) to deliver the preferred option for enhancing public realm surrounding the new HS2 station.

## **2 Recommendations**

- 2.1 Accepts an annual revenue grant from the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) to support the costs of borrowing of up to £26,172,419 to deliver the HS2 Birmingham Curzon Station Enhanced Public Realm project, subject to the funding conditions set out in the attached offer letter at Appendix 1.
- 2.2 In its role as delivery partner for the project, approves City Council prudential borrowing up to £26,172,419 to fund delivery of the HS2 Birmingham Curzon Station Enhanced Public Realm project as set out in the outline business case and key appendices attached as Appendix 2. This includes up-front funding of £222,764 to develop the Full Business Case.
- 2.3 Under Part D2.5 of the Constitution, approves the entering into single contract negotiations jointly by the Director - Inclusive Growth and Chief Finance Officer with HS2 Ltd for up to £22,885,000 for the delivery of the HS2 Birmingham Curzon Station Enhanced Public Realm project.
- 2.4 Notes that a Full Business Case will be presented to Cabinet once the full scheme cost is defined as part of Stage 1 of the contractor procurement to design and build the Station in 2021. This will seek authority to enter into a Contract with HS2 Ltd for delivery of the enhanced public realm
- 2.5 Delegates the agreement of Heads of Terms with HS2 Ltd for the delivery of the HS2 Curzon Station Enhanced Public Realm project to the Leader and the Cabinet Member for Finance and Resources.
- 2.6 Notes that an independent cost consultant, Acivico Ltd, will be appointed to undertake an appraisal of all project costs in line with existing contractual arrangements to ensure they are value for money. The cost for this is included within the up-front funding.
- 2.7 Authorises the City Solicitor to negotiate, execute, seal and complete all necessary documents in connection with the above recommendations.

## **3 Background**

### **3.1 Curzon Masterplan**

3.1.1 In February 2014, the City Council launched the Curzon Masterplan as part of the wider HS2 Midlands Growth Strategy to maximise the economic impact of HS2.

3.1.2 The Masterplan sets out how the arrival of HS2 will unlock growth and

regeneration opportunities around the terminus station. Covering 141 hectares centred around the HS2 Curzon Station, the strategy of the Masterplan is to deliver a fully integrated and connected world class station, which will support growth and regeneration for the city centre and wider area. This will be achieved through the delivery of five 'Big Moves':

- Station design to create a landmark building and arrival experience;
- Paternoster Place;
- Curzon Promenade and Curzon Square;
- Station Square and Moor Street Queensway;
- Curzon Station Metro Stop.

3.1.3 On the 20<sup>th</sup> September 2016 the City Council approved the Curzon Investment Plan, which included the allocation of additional EZ funding of £556.8m towards a £724m local infrastructure investment package to maximise the impact of HS2 arriving in the region in 2026. The package will be delivered in two phases:

3.1.4 Phase One - upfront investment in the infrastructure required to unlock growth immediately around the station including the 'Big Move' projects and Metro Extension to Digbeth;

3.1.5 Phase Two - further investment across the wider area including area wide public realm and local transport and highway improvements as well as social infrastructure to support new residential neighbourhoods.

3.1.6 The economic impacts across the Masterplan area are estimated to be 36,000 jobs, 600,000 sqm of commercial floorspace, over 4000 new homes and £1.7bn private sector investment.

## **3.2 Curzon Station Design**

3.2.1 Following the launch of the Curzon Masterplan, the DfT agreed a number of assurances with the City Council to address concerns that the design of the station, as proposed in the HS2 Hybrid Bill, did not meet the Council's objectives around connectivity and integration. Since then, the City Council and HS2 Ltd have been working closely to develop the design, including establishing a 'Design Review Panel', which provides independent advice and guidance to help ensure the station and associated public realm meet the objectives of the Masterplan. The RIBA 3 design of the station was launched in December 2018 and a planning application will be submitted in Autumn 2019. The current HS2 programme indicates that the construction of the station will start in 2022, with the public realm construction works commencing in 2023 and complete by 2025.

### **3.3 Big Moves Funding and Delivery**

- 3.3.1 The 'Big Moves' for the public realm at Curzon Promenade and Square and Paternoster Place are not included within the scheme set out in the HS2 Act. Therefore, additional funding is required to meet the extra costs incurred by HS2 Ltd over and above the cost of the scheme set out in the HS2 Act. The Curzon Investment Plan identified an overall indicative funding requirement of £60m to deliver these projects, which was based on high level cost estimates commissioned as part of the baseline studies for the Curzon Masterplan. Of that figure, £40m was identified for the HS2 Curzon Station Enhanced Public Realm.
- 3.3.2 The design of the Station has been developed in two phases:
- Phase One - Concept design to RIBA 2 to select a single option (April – July 2018).
  - Phase Two – Full scheme design, including Planning, to Invitation to Tender (September 2018 – March 2020).
- 3.3.3 To ensure the design of the station included the aspirations of the Curzon Masterplan the GBSLEP Enterprise Zone approved £0.550m on the 17th June 2017 to deliver 'Phase One' of the design of Paternoster Place, Curzon Promenade, Curzon Square and the Curzon Canalside. The City Council approved this funding on the 13th September 2017.
- 3.3.4 The HS2 Curzon Station design work commenced in February 2018 with WSP being appointed by HS2 Ltd following an EU-compliant procurement process to design the building and associated public realm.
- 3.3.5 On the 20<sup>th</sup> November 2018, the GBSLEP EZ approved a further £0.895m to deliver 'Phase Two' of the station design, including developing the preferred options up to full scheme design and to submit the planning application and undertake procurement of the design and build contractor.
- 3.3.6 The planning application is expected to be submitted in November 2019 and the Invitation to Tender (ITT) will be advertised in March 2020. To ensure there are maximum efficiencies in the cost and timescales for delivering the enhanced public realm, it is intended to include public realm within the contract to build the HS2 Curzon Station. To enable this to happen HS2 Ltd require assurance that the funding is available to deliver the project and mitigate the risk of procuring works that cannot be funded, although the works themselves will not be delivered until 2023.
- 3.3.7 The procurement process, to be led by HS2 Ltd, will follow a two-stage Main Works Civils Option C Contract (MWSC) based on the cost estimates in the Outline Business Case (OBC) and the appointment of a main contractor. Stage 1 of the process will allow for early contractor involvement to develop a robust target cost which includes the allocation of key financial risks and a realistic delivery programme. If, at the end of stage 1, the cost or risk of

delivering the works is not acceptable then either party can decide not to progress with the project, and it would not be included within the contract award at Stage 2.

3.3.8 On the 18<sup>th</sup> July 2019, the GBSLEP approved the HS2 Curzon Station Enhanced Public Realm Outline Business Case and awarded BCC £26,172,419 of EZ funding to undertake the delivery of the preferred option for the public realm, which includes the funding already approved for the design work, including planning and procurement. The funding required a compliant business case developed in line with HM Treasury's best practice 'Five Case Model', The Green Book: appraisal and evaluation in central government (2018) and the now Ministry of Housing, Communities and Local Government (MHCLG) Appraisal Guide. It establishes that the proposed public sector investment:

- Is supported by a robust case – the Strategic Case;
- Offers Value for Money (VfM) – the Economic Case;
- Is feasible – the Commercial Case;
- Is financially affordable – the Financial Case; and
- Can be delivered successfully – the Management Case

3.3.9 Appropriate project management and due diligence is required to ensure all costs deliver value for money and to support this the GBSLEP EZ has approved, as part of the business case, revenue funding to support borrowing costs of £222,764 for BCC legal, project management, planning and design costs as well as to appoint Acivico Ltd as cost consultant to provide an independent appraisal of the delivery, construction and maintenance costs of the public realm, in line with current contractual commitments. The OBC and the key appendices are attached as Appendix 2.

### **3.4 Benefits**

3.4.1 The business case has highlighted that the enhanced public realm works deliver a benefit cost ratio of 1.7 which represents acceptable value for money, and would generate a number of benefits, including over 1,923 net additional jobs, net additional Gross Value Added of £132.8m per annum and £56.3m of new business rates income for the EZ. In addition, it will also have a positive impact on land values, health, tourism and the overall image of the area, including enhancing the potential for new development on the land surrounding the station.

### **3.5 Maintenance**

3.5.1 In respect of repair and maintenance costs, HS2 Ltd does not have a maintenance strategy for the public realm once the station becomes operational in 2026, this is because the successor body for the operation and maintenance of the station has not been identified, however, the Department

for Transport requires that HS2 Ltd does not incur additional maintenance costs above those required for the design within the HS2 Act. Therefore, it will be the responsibility of the City Council to undertake a full range of services necessary to maintain the assets to appropriate standards. At this stage an initial assessment of the maintenance costs has been undertaken by the City Council for the Curzon Promenade and Curzon Square area and an indicative maintenance cost of £60,000 per annum has been identified. In undertaking the design, the future maintenance of the scheme was a key issue in agreeing the scope of works to be delivered and the associated cost implications formed part of the sifting criteria to shortlist the options identified in section 4 and the forecast cost is considered robust. In order to ensure that the work is maintained to an appropriate standard and the benefits can be sustained over the long-term, the City Council will underwrite the maintenance and other revenue costs from within existing Inclusive Growth budgets, however, it will seek to secure funding from other sources to meet these costs. This may include, but would not be limited to, income from events or licensed street vendors, the use of Community Infrastructure Levy (CIL) or Section 106 monies, and/or a potential master development partner secured through HS2's Commercialisation Strategy for Curzon, which is currently being prepared.

- 3.5.2 Once the procurement process to appoint the contractor to design and build the station is complete a full business case will be presented to Cabinet, which will set out the full cost, including maintenance, for the project. If the target cost for the enhanced public realm works exceeds the identified funding available, HS2 Ltd will engage with the City Council with an intention to negotiate a revised scope or agree additional funding. Alternatively, if there is no way forward or either party concludes that it cannot continue then the project will not progress to a Full Business Case (FBC).

### **3.6 Paternoster Place**

- 3.6.1 Identified as a gateway to Digbeth, the proposals for Paternoster Place seek to provide a partial bridging of the West Coast Mainline between the Curzon Station and Digbeth that will create a wide and attractive pedestrian route that will open up opportunities for regeneration and growth within the Enterprise Zone. HS2 Ltd have agreed, subject to funding, that the delivery of Paternoster Place can be included within the construction of the station, however, the structure will be a City Council asset, including any liabilities for the funding or liabilities, such as air rights, and maintenance. Alongside this work HS2 Ltd are developing a 'Commercialisation Strategy' to maximise the opportunities surrounding the station. Essential to this is development around the front of the station, including the Paternoster area, and the preferred approach will be to integrate the delivery of the Paternoster Place public realm within a wider commercial scheme. The strategy will not be finalised until 2020, therefore, it's recommended that the City Council works with HS2 to incorporate the project requirements within the ITT to procure the station

build contractor. Once the procurement process is complete and the final delivery cost, including maintenance permissions and responsibilities is known and set out in the Full Business Case, the City Council will either progress the scheme or exclude that element from the contract. This decision will be influenced by whether the 'Commercialisation Strategy' has been approved.

### **3.7 Timescales**

3.7.1 The OBC (Appendix 2) includes a delivery programme and draft dates for key milestones are outlined below;

- Station Design and Build Pre-Qualification Pack released – November 2019
- Invitation to Tender (ITT) – March 2020
- Preferred Contractor appointed – Q1 2021
- Stage 1 Design development and construction planning, including enhanced public realm FBC – Q1 2021- Q1 2022
- Contract Award - Q2 2022

3.7.2 In September 2019 the Government announced that there would be an independent review of the HS2 scheme. It will be chaired by Douglas Oakervee and will use all existing evidence on the project to consider its:

- benefits and impacts
- affordability and efficiency
- deliverability
- scope and phasing, including its relationship with Northern Powerhouse Rail.

3.7.3 The review will conclude in the Autumn and any impact on the project and the timescales for delivery will be reviewed then. In the meantime, HS2 Ltd has advised that the timescale for the procurement to design and build the station are still effective, therefore, approval to the OBC is still required to ensure the scope of works is incorporated into the ITT. If HS2 is delayed then the timescales for the public realm will slip accordingly, however, this will not affect the capacity to fund or deliver the project. If the Government cancels HS2 then the project would not be delivered as set out in the business case, however, no further expenditure would be incurred before the outcome of the review is known.

## **4 Options considered and Recommended Proposal**

### **4.1 Option 1: Business as Usual (Do Nothing)**

4.1.1 Under this option, only the HS2 baseline scheme would be delivered. While this would create a high-quality environment, opportunities to

maximise the strategic impact of the HS2 station would not be realised. In particular, it would fail to secure high quality links to strategically important development sites within Digbeth. In addition, the integration with existing public realm and key institutions to the north of the station would be of a lower quality.

#### 4.2 Option 2: Curzon Promenade and Curzon Square

4.2.1 The works to extend the baseline public realm scheme beyond the HS2 land to enhance integration and linkages along the corridor to the north of the station. Under this option, no enhancement works would be progressed at Paternoster.

#### 4.3 Option 3: Paternoster (medium corner chamfer), Curzon Promenade and Curzon Square

4.3.1 In addition to the works proposed under Option 2, this option would support the creation of enhanced linkages to Digbeth. The delivery of a medium connection would further support HS2 commercialisation opportunities, with emerging proposals for a 40,000 sqm office scheme fronting onto Station Square.

4.3.2 This option would enhance linkages with the Digbeth area. However, the connection would not be expected to promote the HS2 commercialisation opportunity.

4.3.3 The key findings of the business case are that the recommended preferred option would be the enhanced public realm scheme proposed under Option 3. This would offer acceptable value for money on an adjusted Benefit Cost Ratio basis. In addition, it would also deliver substantial wider benefits.

4.3.4 If the City Council cannot provide sufficient assurance to HS2 Ltd that the funding is available to deliver the public realm projects, then Department for Transport will not agree to incorporate them within the Curzon Station delivery schedule. The risk is that they would not be delivered together and the objectives of the masterplan to create a fully connected world class station would not be met. This will have a lasting impact on the potential growth of the city, in particular the wider Digbeth area.

4.3.5 The enhanced public realm projects would be delivered separately from the station construction. This would compromise the delivery of these projects as construction would have to take place once the construction of the station was complete, thus it would create further long-term disruption and congestion across the wider city area.

4.3.6 Combining the schemes within the overall approach for delivering the station ensures a collaborative approach that will deliver the most appropriate station build with the most efficient use of resources. Delivering the projects independently would require more resources

through additional procurement and duplication of tasks whilst also not delivering a seamless build approach throughout the public realm.

#### 4.4 Option 5: The City Council procures the work

4.4.1 This option would require the City Council to procure and deliver the works independently of HS2. This has been discounted as there would be no efficiencies in time or cost by the works being undertaken by a single contractor.

### 5 **Consultation**

5.1 The GBSLEP Board support the recommendations of this report. The objectives and priorities for the public realm projects at the HS2 Curzon Station were set out in the Curzon Masterplan which was developed based upon extensive public consultation and was approved by Cabinet on 27<sup>th</sup> July 2015. Additional consultation with HS2 Ltd, Historic England, Canal and River Trust and Birmingham City University has also been undertaken throughout the development of this report and the outline business case and will continue as the projects develop to a full business case.

### 6 **Risk Management**

6.1 Risks will be identified, evaluated and controlled in line with the City Council's Risk Management Methodology 2017. A comprehensive risk register for the project has been included within the outline business case attached as Appendix 2. This will be monitored throughout the development of the full business case and at this stage the key risks affecting the delivery of the project are as follows;

#### 6.1.1 Contract Bids Exceed Expectations

The final cost of the project will be defined once the procurement to appoint the contractor to design and build the station is completed. If the costs exceed the value approved by the GBSLEP then the scope of works will need to be reduced through value engineering or by not proceeding with elements of the public realm works. A significant level of contingency, set at 40% of the works cost, has been incorporated into the OBC to mitigate this issue. Whilst it is recognised that this level of contingency is higher than standard for this type of works, it is an arrangement which HS2 Ltd have used with third party organisations and there will be a more robust contingency figure in the FBC once the final cost has been defined following Stage 1 of the procurement to build the station. Appendix 2F within the OBC (Appendix 2) sets out the strategy for agreeing the cost within the FBC, including change control. Stage 1 of the procurement to appoint the station design and build contract will agree the target cost, the allocation and responsibility of key risks between HS2 Ltd, the Council and contractor and the change control procedures for delivering the project and will be reflected in the FBC.

#### 6.1.2 Maintenance Arrangements

If a suitable maintenance strategy, including funding, cannot be included within the full business case then this will affect the viability of the project progressing. Work within the City Council is ongoing to identify the funding for the maintenance and this will continue throughout the procurement process.

#### 6.1.3 Agreements with Network Rail for Paternoster Place

The City Council will need to agree suitable asset protection arrangements with Network Rail for the delivery and maintenance of the new structure. Work is already ongoing between all stakeholders to define the cost and agreements for the project and these will be set out in the full business case. The outline business case includes an allowance for these liabilities.

## **7 Compliance Issues:**

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

7.1.1 The delivery of the HS2 Curzon Station Public Realm project is set out as a priority in the Curzon Masterplan (2015) and forms a key part of the Curzon Investment Plan, which was approved by the Council on 20<sup>th</sup> September 2016. This supports the Council Plan 2018–22, Priority 1: “We will create opportunities for local people to develop skills and make the best of economic growth.” In particular, the HS2 Curzon Station Public Realm Programme will contribute towards the City Council's high-level outcome to deliver a strong inclusive economy by supporting future development activity, job creation and delivering transport and other improvements. The Curzon Masterplan is key to delivery of the Big City Plan, GBSLEP Strategic Economic Plan (SEP), and the Midlands HS2 Growth Strategy which is a priority for the GBSLEP and West Midlands Combined Authority to maximise the economic impact of HS2.

#### 7.1.2 Birmingham Business Charter for Social Responsibility (BBC4SR)

HS2 Ltd is an accredited signatory to the BBC4SR and will produce an action plan with commitments proportionate to the value of the contract once the target cost is defined in the FBC.

### **7.2 Legal Implications**

7.2.1 The Local Government Finance Act 2012 supports the development of Enterprise Zones by enabling Local Authorities to borrow for capital schemes against projected growth in business rates income. The Act allows the City Council, on behalf of the GBSLEP, to retain 100% of business rates income from within the Enterprise Zone.

7.2.2 The City Council has under Section 1 Localism Act 2011, a general power of competence under which it can procure services from third parties who will or are likely to benefit the authority, its area or persons resident or present in its area.

7.2.3 The OBC includes information on cost rates which is commercially sensitive and could prejudice future procurement activity. This information is included as Exempt appendices 3 and 4.

### 7.3 Financial Implications

7.3.1 Within the GBSLEP EZ all business rates are collected by the City Council with any net uplift in the business rates collected within the EZ allocated to the GBSLEP for a period to 31 March 2046. The GBSLEP Board decide how and where these funds are deployed and make the investment decisions about allocating the revenue resources to fund direct revenue expenditure or to fund the cost of borrowing for capital projects carried out by the City Council or other delivery partners. This is subject to the City Council in its Accountable Body role ensuring compliance with the financial governance principles. The table below summarises the costs and a full profile is attached as Appendix 2E within the outline business case (Appendix 2).

<b>Capital Costs</b>	
Direct Feasibility and design fees	£1.445m
FBC Development Costs	£0.223m
Public Realm Works and associated costs	£16.658m
Contingency	£6.227m
Network Rail Rights	£1.125m
BCC Project Costs	£0.494m
<b>Sub-Total</b>	<b>£26.172m</b>
<b>Revenue Costs</b>	
Maintenance Costs (over 30 years)	£2.40m
<b>Total</b>	<b>£28.572m</b>

7.3.2 As the GBSLEP's delivery partner the City Council has and will undertake prudential borrowing to support delivery of the HS2 Curzon Station Enhanced Public Realm project. The costs of prudential borrowing will be fully financed by the GBSLEP's revenue resources generated through the uplift in business rates within the EZ. There are financial risks associated with the Accountable Body role, the main one being failure of the EZ to deliver sufficient business rates uplift to cover the level of borrowing and up-front revenue expenditure incurred by the City Council. These risks have

and will continue to be managed primarily through detailed financial modelling and phased contractual developer obligations and by receiving, for independent examination / approval, detailed individual Business Cases for project spend. The funding requested for this project is contained within the approved Enterprise Zone Investment Plan.

- 7.3.3 In 2012, the City Council and the GBSLEP established a set of financial principles for the EZ. In accordance with these principles, the City Council applies a safety margin whereby 15% of business rate income is held in reserve and not committed against investment proposals until there is greater certainty of future uplift in business rate income. Borrowing costs are also required to be kept within 65% of forecast income. The current financial modelling shows that the total estimated cost of the HS2 Curzon Station Enhanced Public Realm project is considered affordable based on the expected and additional income levels that the GBSLEP EZ will generate.
- 7.3.4 Although HS2 Ltd are classed as a non-departmental public body, they are not able to reclaim VAT on work undertaken on the City Council's public realm and highway and will invoice the Council for costs inclusive of VAT on this work which the City Council is able to reclaim.

## **7.4 Procurement Implications**

### **Procurement Strategy**

- 7.4.1 HS2 Ltd is the company responsible for developing and promoting the UK's new high-speed rail network. The company is obligated to deliver a number of undertakings and assurances to the City Council in support of the delivery of the HS2 Curzon Station. This includes a commitment to provide a station which is permeable and integrated and provides the best solutions for transport interchange.
- 7.4.2 It is proposed that HS2 Ltd's Station Design and Build contractor is used to undertake the delivery of the public realm projects as these are an integral part of the station structure as it is not possible to disaggregate the works from the contract to design the station building. This will provide the most efficient use of resources and mitigate the risks associated with separate contractors delivering works on the same site. This report now seeks approval to utilise GBSLEP EZ funding and enter Heads of Terms negotiations with HS2 Ltd to deliver the public realm works.
- 7.4.3 The proposed works and services will be procured by HS2 Ltd. As a publicly funded organisation, HS2 Ltd has to comply with EU Procurement Directives and associated UK legislation. HS2 Ltd will be including the baseline Curzon public realm works within the overall package of contracts for Curzon Street Station, for which designs were unveiled in October 2018.

It is proposed that the enhanced Curzon public realm works will be incorporated into this process, with procurement being run by HS2 Ltd with engagement between HS2 Ltd and the City Council on the following basis:

- HS2 Ltd will engage with the City Council to agree the description of the scope of works;
- The scope of works will be subject to HS2 Ltd's estimating principles and cost estimates;
- HS2 Ltd will undertake the procurement, including tender evaluation, as part of a two-stage Main Works Civils Option C Contract (MWSC) based on its cost estimates and the appointment of a main contractor. Stage 1 will allow for early contractor involvement to develop a robust target cost which includes the allocation of key financial risks and a realistic delivery programme.
- Following Cabinet approval to the OBC the Council will enter Heads of Terms with HS2 Ltd to incorporate the works within the ITT and set out some key principles for how the works will be delivered. During Stage 1 and the target cost for delivering the enhanced public realm is known, a full business case will be produced, and approval will be sought to enter into a contract with HS2 Ltd. If the target cost for the enhanced public realm works exceeds the identified funding available, HS2 Ltd will engage with the City Council with an intention to negotiate a revised scope or agree additional funding. Alternatively, if there is no way forward or either party concludes that it cannot continue then project will not progress to an FBC.

7.4.4 The City Council will engage Acivico Ltd to independently appraise the delivery, construction and maintenance costs for the public realm project.

7.4.5 The Council may secure external legal advice to work with its Legal Services in the development of the proposed delivery strategy, business case, service contracts and partnership agreement(s) where it does not have the expertise or the capacity to provide such advice.

## **7.5 Human Resources Implications**

7.5.1 There are no Human Resources implications for this report.

## **7.6 Public Sector Equality Duty**

7.6.1 In overall terms the HS2 Curzon Station Enhanced Public Realm Project has been assessed as leading to a positive effect on the equality considerations through the promotion of economic activity, job creation and improving skills that will benefit local people. It has been assessed that the project will advance equality of opportunity as a result of its promotion of development and regeneration activity (set out in Appendix 5).

**8 List of Appendices accompanying this Report (if any):**

1. GBSLEP Funding Offer Letter
2. HS2 Birmingham Curzon Station Enhanced Public Realm Outline Business Case
3. Exempt Appendix 3 OBC Information
4. Exempt Appendix 4 OBC Cost Breakdown and Rates
5. Equalities Impact Assessment.

**9 Background Documents**

- 9.1 Curzon Masterplan 2014.
- 9.2 Curzon Investment Plan 2016