

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	Cabinet
Report of:	Director of Property
Date of Decision:	15th November 2016
SUBJECT:	DISPOSAL OF THE FORMER BANK, 301 BROAD STREET, BIRMINGHAM
Key Decision: Yes	Relevant Forward Plan Ref: 002567/2016
If not in the Forward Plan: (please "tick" box)	Chief Executive Approved <input type="checkbox"/>
	O & S Approved <input type="checkbox"/>
Relevant Cabinet Member:	Councillor John Clancy - Leader of the Council
Relevant O&S Chairman:	Cllr Mohammed Aikhlaq Corporate Resources Overview and Scrutiny Committee
Wards affected:	Ladywood Ward

1. Purpose of report:

- 1.1 To advise members of very significant proposal from the University of Birmingham to invest and create a landmark facility and gateway for the University in the City Centre.
- 1.2 The report also seeks approval to declare the former bank, 301 Broad Street, Birmingham shown edged black on the plan attached as Appendix 1 of this report surplus to requirements and authorise solus negotiations for the grant of a long lease with the University of Birmingham
- 1.3 The subject property is shown edged black on the attached plan at Appendix 1 extending to 0.28 acres / 0.109 hectares.
- 1.4 An accompanying Private report provides commercially confidential information regarding the transaction.

2. Decision(s) recommended:

- 2.1 It is recommended that Cabinet notes this report and the proposal of the University of Birmingham to create a landmark facility and gateway for the university in the City Centre.
- 2.2 Agrees to declare the former bank at 301 Broad Street, Birmingham surplus to requirements..
- 2.3 Approves solus negotiations for the disposal of the property with the University of Birmingham.

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3. Consultation

3.1 Internal

Ward members (Ladywood) have been consulted with no adverse comments received. Senior officers from Birmingham Property Services, Legal and Democratic Services and City Finance have been consulted and involved in the preparation of this report and approve this report going forward.

3.2 External

Not applicable

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The Councils aim to preserve significant buildings in the City and ensures that any development maintains or improves the special character of the building(s). The Councils Conservation Strategy sets the detail and policies regarding significant buildings.

Safeguarding the future of significant historic buildings and providing a beneficial future use is in line the key objectives of the Council Business Plan and Budget 2016+ and in accordance with a number of the Council's key priorities, including:

Fairness - to tackle inequality and deprivation, promote social cohesion across all communities in Birmingham ensuring dignity, in the quality of making judgments that are free from discrimination this is achieved through the education and the provision of community hub space, museum exhibitions and public performance space within the building.

Prosperity - to lay the foundations for a prosperous City, built on an inclusive economy – through the creation of a new educational facility to foster business engagement activity with blue-chip / technological partners and enabling the creative arts & music sectors.

Democracy - to involve local people and communities in the future of their local area and their Public Services –to meet local community and educational needs and to encourage localised targeting of training, education and employment initiatives.

The reports proposal also contributes towards the strategic outcomes outlined in the 'Council Business Plan and Budget 2016+', specifically to help deliver a balanced budget and contribute to the Councils plan to rationalise its property portfolio as part of its asset management programme.

4.2 Financial Implications

The disposal of this surplus asset will generate capital receipts for the Council to help support the Council Business Plan and Budget 2016+, and contribute to key business priorities.

The property for disposal within this report is recorded within the Council's balance sheet as FAR 003917

4.3 Legal Implications

The power to acquire, dispose and manage assets in land and property is contained in Section 120 and 123 of the Local Government Act 1972.

4.4 Public Sector Equality Duty

Having carried out an initial screening, there is no requirement to undertake a full equality analysis.

Equality Analysis (EA) Ref No. EA001502

5. Relevant background/chronology of key events:

- 5.1 The property comprising the former bank was originally created as the Birmingham Corporation Savings Bank by a 1916 Act of Parliament, to raise money to aid World War I, it subsequently became the first and only municipal bank in the country.
- 5.2 Currently a vacant building fronting onto Broad Street, the immediate surrounding area is being developed as part of Arena Central, a mixed use development. Opposite is Centenary Square and beyond is the Library of Birmingham. The surrounding area is predominantly commercial. The Property is a Grade II Listed Building designed by architect T. Cecil Howitt in the Monumental Classical architectural style.
- 5.3 An interim use policy was established to enable short term beneficial use of the building such as film and television use with Film Birmingham, community and Council events, arts festivals and historic building exhibition access.
- 5.4 A number of organisations including religious and arts organisations have also broached an interest in either acquiring or utilising the building. Despite the interest received with building information and access to the property provided, firm proposals have not been forthcoming.
- 5.5 In considering the future use of the property, any proposal would need to; satisfy long term historical conservation /preservation concerns for the building; provide beneficial use, act as interface between the public realm areas of Centenary Square and Arena Central and provide access to the public for heritage purposes.
- 5.6 Officers have received a formal proposal supported by a robust business case for a significant investment proposal the use by the University of Birmingham, which will ensure the future beneficial use of the historic building and providing a key interface with the emerging commercial Arena Central development, Centenary Square and the Library of Birmingham.
- 5.7 The proposal by the University of Birmingham will create a landmark facility and will create a gateway for the university in the city centre. Use will include a university research showcase, museum space, community hub, performance space for music/film/arts & drama, business engagement activity with major corporates, blue-chip, tech partners and an arts & music showcase.
- 5.8 Given its architectural merit and history, the proposed use by the University of Birmingham provides the necessary reassurance that the building will be subject to appropriate restoration / building repair and maintenance programmes.
- 5.9 The property is surplus to the Councils needs and bringing forward for disposal will enable the preservation of an important historic building in the heart of the city centre

6. Evaluation of alternative option(s):

- 6.1 Not to proceed with the sale would result in increasing on-going repair and maintenance costs for the Council and the continued associated management cost liability in managing the use of an empty property.
- 6.2 Not to proceed would mean not realising a capital receipt

7. Reasons for Decision(s):

- 7.1 To seek approval to declare the former bank at 301 Broad Street, Birmingham surplus to requirements.
- 7.2 To seek approval for solus negotiations for the disposal of the property with the University of Birmingham.

Signatures			
			<u>Date</u>
Cllr John Clancy Leader of the Council
Peter Jones Director of Property
List of Background Documents used to compile this Report:			
Officers files			
List of Appendices accompanying this Report (if any):			
1. Appendix 1 – Site Plan			
Report Version	3	Dated	November 2016