

Smithfield, Birmingham - Summary Briefing Note for Economy & Skills Committee

PRESENTATION

6th October 2021, 10 am



THE SITE



INTRODUCTION & BACKGROUND

- September 2016 - Cabinet approved the Birmingham Smithfield Masterplan to transform the former Wholesale Markets, creating a new destination. The site totals 17 hectares.
- Due to the scale of the redevelopment, BCC resolved to introduce a development partner to bring appropriate private sector funding and development expertise.
- July 2017 - Cabinet approved the procurement of a development partner.
- August 2017 - procurement process formally commenced. Dialogue with four bidders closed in July 2018 with invitations to submit final tenders.
- The preferred bidder was Lendlease, with whom BCC entered in a Joint Venture Agreement (development agreement) on 28 June 2021.

NEXT STEPS (as presented to ECONOMY, SKILLS & TRANSPORT O&S COMMITTEE, 23 September 2020)

- Complete business case (SOC) submission to GBSLEP for consideration at its Board meeting on 7th October 2020.
- Define a 'road map' to satisfy Business case stage gates (to Full Business Case) by end September 2020.
- Review financial position and identify any associated legal risks (and quantify).
- Inform stakeholders of outturn of 3 points above and timeline required to define risks – assuming reporting from mid-October to Boards/Cabinet.
- Close down drafting of legal agreements and track any emerging changes relative to the financial position.

UPDATE (FROM 23 SEPTEMBER 2020 PRESENTATION)

- An OBC was submitted in October 2019 to GBSLEP but due to insufficient information, the OBC was not approved.
- A Business Case road map was, by agreement, set out and subsequently a Strategic Outline Case (not OBC) was submitted and approved by GBSLEP in November 2020.
- A revised s 123 was signed off and BCC Cabinet approved the signing of the JVA on 15th December 2020.
- JVA captured the agreed EZ funding principles by which BCC & Lendlease prosecute funding applications. GBSLEP and BCC/Lendlease to enter into funding agreements once OBC submitted.
- JVA & Site Assembly Agreement executed 28 June 2021.

MASTERPLAN (Lendlease initiative)

- New Markets – phase 1 - c. 24,700 sq m
- Commercial space – leisure; offices - c. 134,000 sq m
- Around 2,900 residential units
- Community facilities
- Public realm – 3 squares (incl Festival Square)
- Integrated public transport around the creation of a central boulevard

MASTERPLAN (LENLEASE INITIATIVE)

- c. 10,000 full and part time jobs
- Private sector investment – c. £1.8 billion
- EZ funding – c £131.4m
- Gross Value Added pa (GVA) – c. £750 million
- Lendlease seeking to appoint architect now to deliver early phase
- Fix masterplan by start Q1 2022 and assess viability – early contractual milestone

BUSINESS CASE (BCC INITIATIVE)

- Public sector funding sought via GBSLEP (EZ grant)
- Business case proposition by BCC to agree funding provision – OBC to be presented by end of Q1 2022
- Conclude legal agreements (grant funding; and funding)

LAND ASSEMBLY (BCC INITIATIVE)

- Property Cost Estimate – autumn 2021
- Early private sector acquisitions (subject to Cabinet approval) – agree land strategy (autumn 2021).
- CPO – commission referencing (autumn 2021).
- Markets VP - Consultation with Traders – renegotiate lease terms to facilitate vacant possession in 2027.

BCC EARLY ENABLING WORKS

- **Demolition of 2 x MSCPs & Manor House – on time**
- **Installation of new traders' lift – Upper Dean St – approved (planning)**
- **Delivery programme will be complete by end of 2021.**
- **Pride 21/Pride 22 - September**

COMMONWEALTH GAMES

- **Handover site to Organising Committee by mid February 2022**
- **Smithfield to host Beach Volleyball and 3x3 Basketball in 2022**
- **Hand back site in October 2022**

Council's Social Value Commitments - Employment and Skills Opportunities

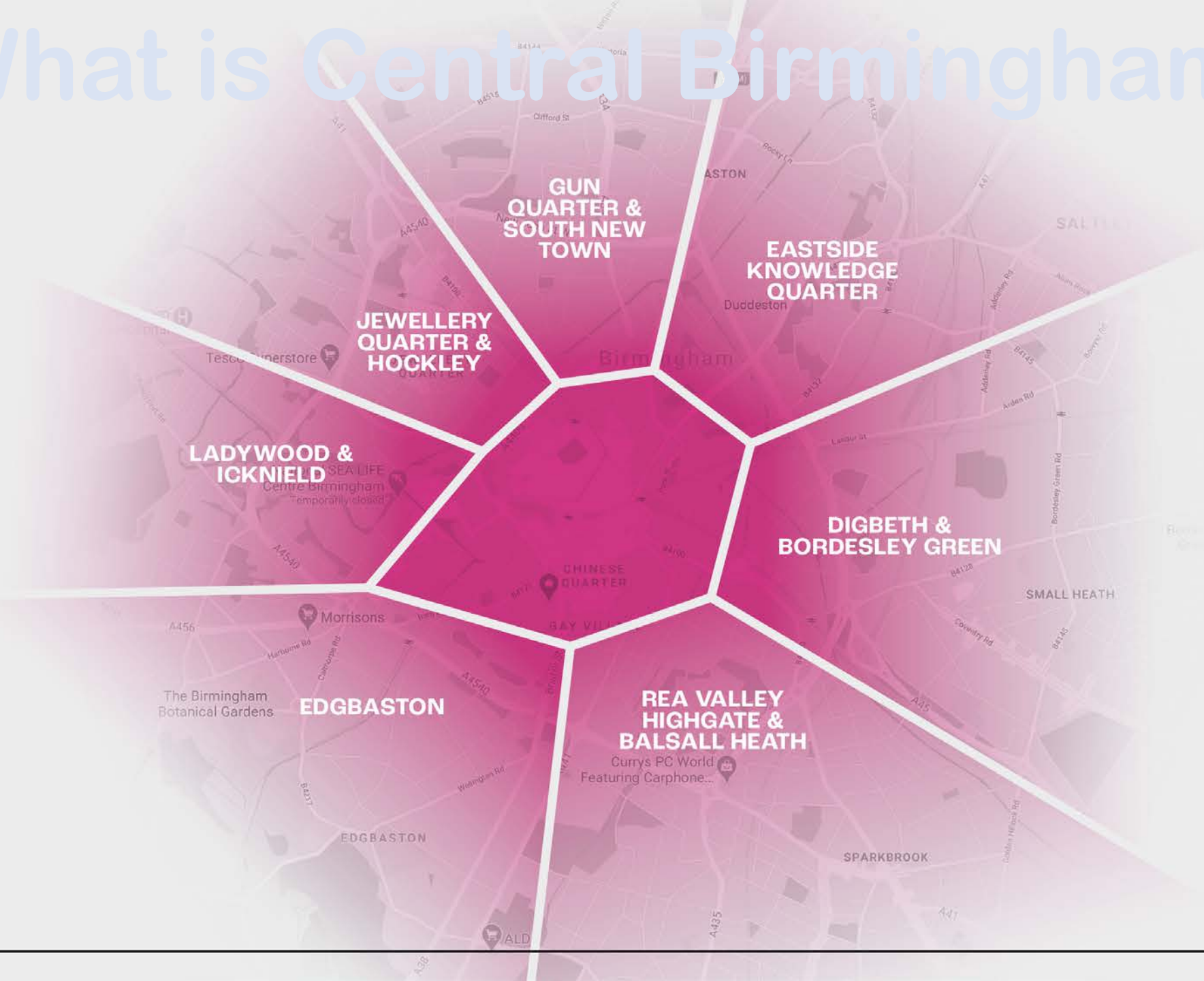
- Lendlease's commitment set out in the Business Plan (forms part of JVA).
- Compliance with the Birmingham Business Charter for Social Responsibility by all contractors
- Employment and Training outcomes will be maximised for local people
- Support local projects and community groups

OurFuture _____ CityPlan

CENTRAL BIRMINGHAM 2040

Shaping Our City Together

What is Central Birmingham?



AN *innovative*,
GLOBAL CITY
WHERE PROSPERITY
IS SHARED BY ALL -
HAPPY HEALTHY
AND AFFORDABLE

OUR CONNECTED,
CULTURALLY *distinct*
NEIGHBOURHOODS
SHOWCASE THE BEST
ENVIRONMENTAL
QUALITY, RESILIENCE
AND ADAPTABILITY

A CITY PROUD OF
OUR *unique*
IDENTITY AND
DIVERSITY THAT
EMBRACES
TECHNOLOGY AND
CREATIVITY, BEAUTY
AND IMAGINATION

We propose to have four principles that will guide the actions and plans in the strategy for Central Birmingham 2040.

Green City – Create a city environment that has a minimal impact on our planet and enables nature to be truly part of the city.

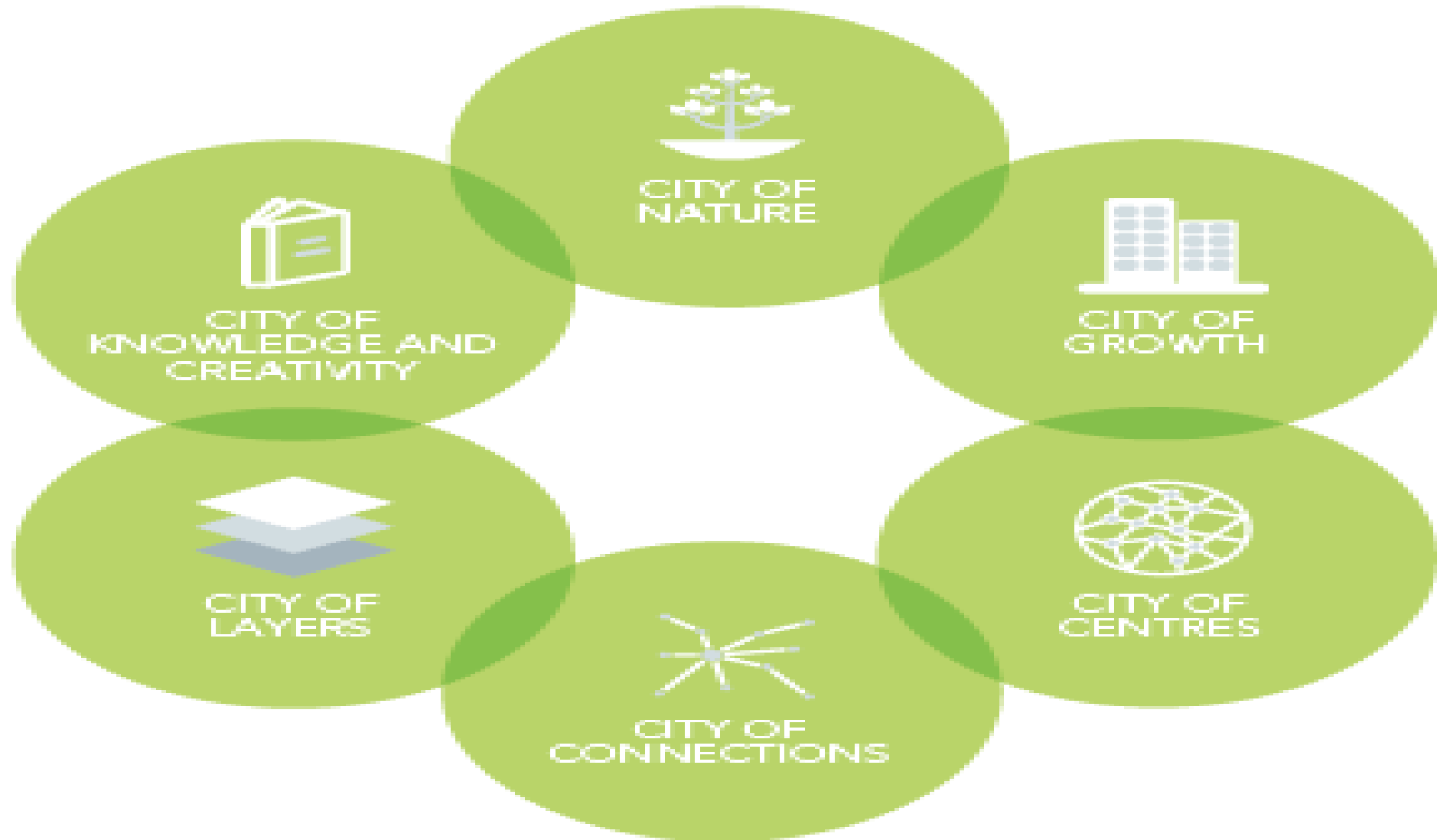
Equitable City – A city where all our communities have the same opportunities and no one is left behind.

Liveable City – A people-focussed city where citizens can create homes and communities.

Distinctive City – A city that takes pride in the individual identity of its communities.

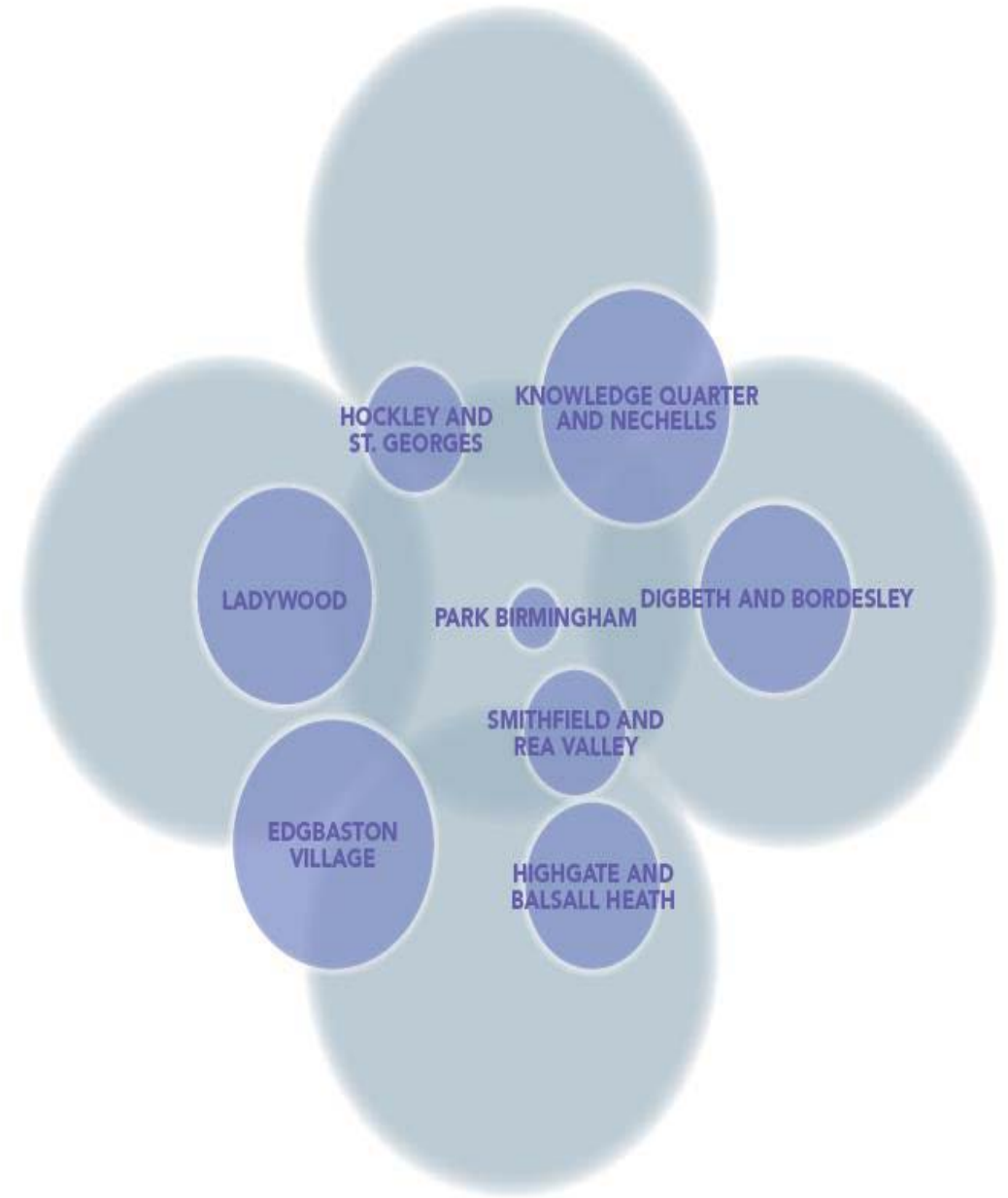
GREEN	EQUITABLE	LIVABLE	DISTINCTIVE
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A city of



CENTRAL RENEWAL AREAS

- Zones with potential for significant change and reimagining.
- Scope to unlock new opportunities for mixed use redevelopment to provide housing, jobs and new public spaces within new and existing neighbourhoods.
- Highlight key development opportunities as a catalyst for facilitating wider investment.
- Identifying infrastructure requirements to support growth.
- Outline routes to delivery.
- The City Council being proactive in developing, encouraging and enabling innovative delivery partnerships to bring about change.
- Identifying and securing opportunities for maximising potential of BCC property interests.
- Informs review of BDP –land use changes, allocations, supporting policy.





Rea Valley Urban Quarter SPD - Indicative layout



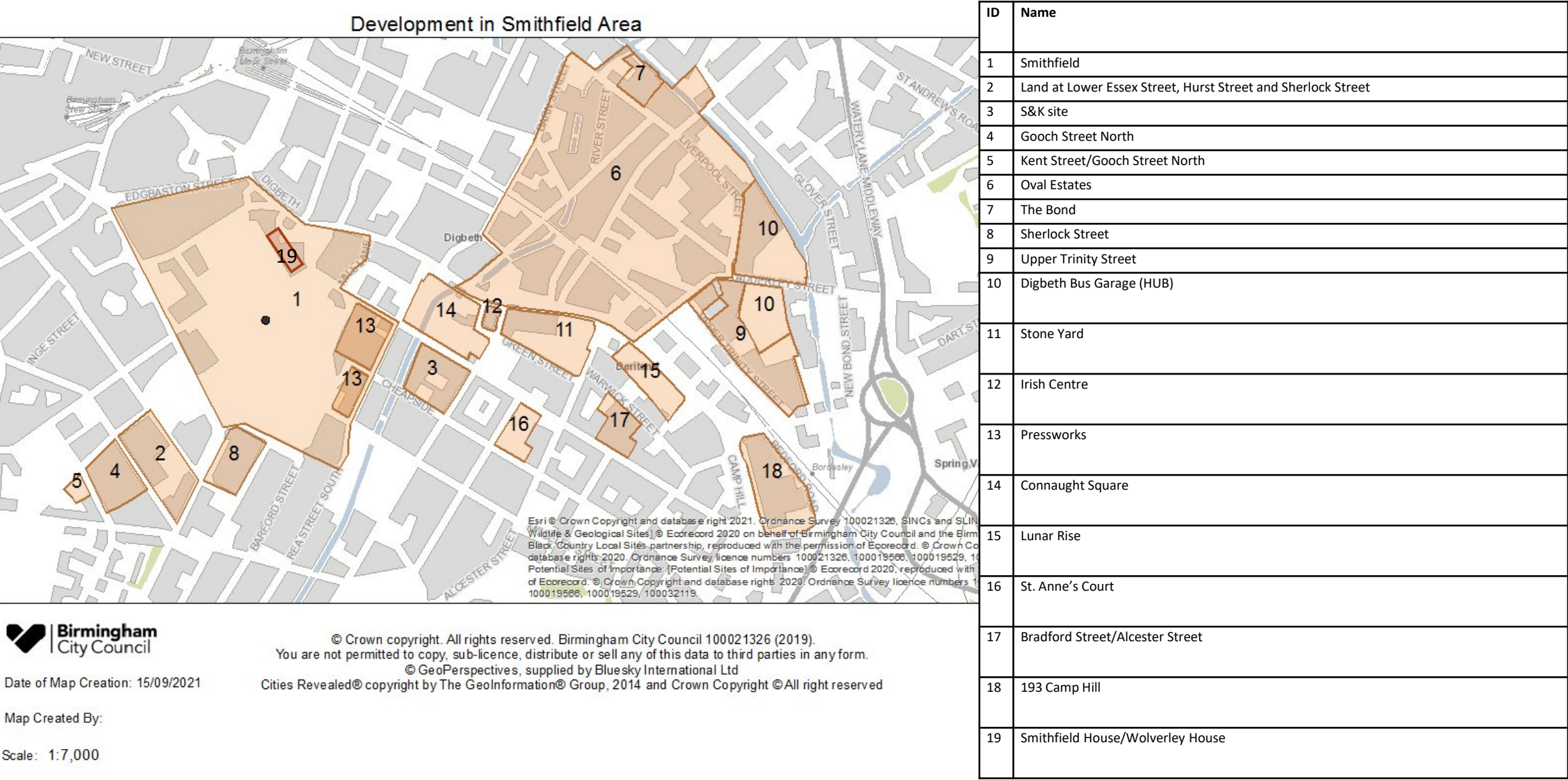
Key

- SPD boundary
- River Rea
- Existing buildings
- Potential block layout
- New connections
- Potential for local green infrastructure interventions



NORTH

SMITHFIELD - WIDER REGENERATION



City Centre Development Update

COLLECTION OF APPROVED SCHEMES



Oval Estates

- 42 acre scheme
- 1,850 homes
- 16,000 jobs created
- £1bn transformation of the area around the Custard Factory
- New commercial space, shops, restaurants, cafes and additional leisure facilities



Upper Trinity Street

- 936 Homes
 - 25% affordable
- 6,000sqm commercial floorspace
- 35 storey tower
- 313 (172 new) number jobs



Digbeth Bus Garage (Hub)

- 2,000 homes
- 6 acre plot
- Mixed use scheme - creative workspace, residential, leisure and retail uses



Smithfield House/Wolverley House

- Hotel-led scheme
- Smithfield House:
 - 80 unit aparthotel,
 - 12 storeys
 - ground floor café
 - roof level guest amenity
- Wolverley House:
 - 9 storey hotel, 175 rooms
 - Ground floor ancillary restaurant
 - Rooftop bar with public entrance from Digbeth

