

Birmingham City Council

Report to Cabinet Committee – Group Company Governance

17th November 2022



Subject: Paradise Circus Limited Partnership, PCLP - Company Pen Portrait

Report of: Alison Jarrett, Director Group & Capital Finance

Relevant Cabinet Member: Councillor Brigid Jones

Relevant O &S Chair(s): Councillor Akhlaq Ahmed

Report author: Alison Jarrett

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

Paradise Circus Limited Partnership (PCLP) is to present to Members on the private agenda. This report provides Members with a pen portrait of the company.

2 Recommendations

2.1 Members are asked to note the information provided

3 Background

- 3.1 Before the commencement of the redevelopment project in 2015, the Paradise Circus site was a significantly blighted area. Paradise Circus was a mixed use development with building stock primarily dating from the 1970s, and was generally perceived as dysfunctional for a variety of social and economic reasons including for having: low levels of investment and growth potential, poor accessibility and permeability throughout the site, a low quality public realm, and poor design and layout from a public safety perspective. The advancing plans for a new library since 2006, the establishment of the GBSLEP in 2010, and the subsequent publication of the Big City Plan and the GBSLEP Strategic Economic Plan, as well as the westward expansion plans for the Midland Metro, all provided impetus for the redevelopment of Paradise Circus to a quality of built environment appropriate to the aspirations for Birmingham and the West Midlands.
- 3.2 In April 2011, the GBSLEP chose Birmingham City Centre as the location for its Enterprise Zone, a decision informed in part by the vision and strategy set out in the Big City Plan – and with Paradise Circus as one of the key sites for which enabling infrastructure was identified as a priority.
- 3.3 The illustration below shows the 3 phases of the development.
- Phase 1, the development of 350,000 sq. ft. of Grade A office floorspace across two buildings – One and Two Chamberlain Square plus the delivery of the wider public realm to improve road and pedestrian routes surrounding Chamberlain Square.
 - Phase 2, the development of 410,000 sq. ft. for two office buildings, One Centenary Way and Three Chamberlain Square, as well as a ground level restaurant and retail offering. This phase also includes the delivery of a four star hotel offering with up to 250 bedrooms, which adds an additional 128,000 sq. ft of high quality hotel space to the area.
 - Phase 3, the development of four additional buildings and a pavilion, totalling approximately 614,000 sq.ft. of combined office and retail space, as well as c300 PRS (private rented sector) units.

have to date successfully brought the project to fruition. MECP is part of the Hermes group.

- 3.6 The structure of Paradise Circus Limited Partnership (PCLP) is a 50/50 joint venture set up between BCC and Britel Fund Trustees Limited (custodian of BTPS) to deliver the project. The objective of PCLP is to provide a vehicle through which the public infrastructure and site preparation works are carried out, which will both improve the highway infrastructure and the public realm for the benefit of the city and will prepare the three phases of the site for the re-development phases.

- 3.5 Key personnel and board members within PCLP Group are:

Guy Olivant – Major Developments Lead, Development and Commercial Team

Kathryn James – Assistant Director, Property Services

Christopher Darrach and Vijyanti Gorasia – Hermes

4 Options considered and Recommended Proposal

- 4.1 This report provides information to Members on PCLP and will assist in the exchanges and discussion on the presentation within the private agenda.

5 Consultation

- 5.1 The Chair of the Committee has been consulted on the attendance of PCLP.

6 Risk Management

- 6.1 This report provides an outline of the company and background for discussion of company performance with the company representatives.

7 Compliance Issues:

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

The recommended decision supports the Birmingham City Council Plan 2018-2022, contributing to the priority of Birmingham being an entrepreneurial city to learn, work and invest in.

7.2 Legal Implications

The Council's Section 151 Officer has a duty to ensure the proper administration of the Council's financial affairs. The Accounts and Audit Regulations 2015, requires the Council to have effective arrangements for the management of risk.

7.3 Financial Implications

There are no financial implications directly arising from this report but Members should consider any questions or considerations arising from this report for discussion during the private agenda.

7.4 Procurement Implications

There are no procurement implications directly arising from this report.

7.5 Human Resources Implications

There are no human resources implications directly arising from this report.

7.6 Public Sector Equality Duty

There are no equality duty or equality analysis issues relating to the proposals set out in this report.

8 Background Documents

None