

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET	
Report of:	Strategic Director - Economy	
Date of Decision:	20th September 2016	
SUBJECT:	CITY CENTRE ENTERPRISE ZONE EXTENSION AND CURZON INVESTMENT PLAN	
Key Decision: Yes	Relevant Forward Plan Ref: 001414/2016	
If not in the Forward Plan: (please "X" box)	Chief Executive approved	<input type="checkbox"/>
	O&S Chairman approved	<input type="checkbox"/>
Relevant Cabinet Member(s):	Councillor John Clancy (Leader)	
Relevant O&S Chairman:	Councillor Zafar Iqbal (Economy, Skills & Transport)	
Wards affected:	Ladywood & Nechells	

1. Purpose of report:	
1.1	To inform Cabinet of the extension of the City Centre Enterprise Zone (EZ) as secured through the Devolution Deal, which includes funding for the Curzon Investment Plan along with an extended programme through to 2045/46
1.2	To approve the contents of the Curzon Investment Plan, which sets out the framework for investment priorities and programme for the period 2016/17 to 2045/46, with a total funding package of £724m. This includes EZ funded capital and revenue investment of £556.8m supported through the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) as funded through the uplift in business rates generated by the EZ.
1.3	To note the allocation of £183.3m of EZ resources by the Greater Birmingham and Solihull Local Enterprise Partnership (LEP) as a contribution towards the delivery of the Midland Metro from Birmingham City Centre to the HS2 Interchange, which will be directly funded through the uplift in business rates generated by the EZ, subject to a Full Business Case and availability of match funding.
1.4	To set out the role and functions of the Accountable Body for the EZ, undertaken by the City Council, to ensure that governance arrangements are appropriate to support the delivery of the Curzon Investment Plan.
1.5	To seek approval to enter into a tripartite agreement, BCC as the Accountable Body with the Greater Birmingham and Solihull LEP (LEP), and the Department of Communities and Local Government (DCLG), as set out in the memorandum of understanding. This sets out the terms and conditions between all parties for the extension to the EZ.
1.6	To seek Cabinet approval to the updated EZ Governance Structure and Financial Strategy, which underpins the investment decisions for the EZ.

2. Decision(s) recommended:

That Cabinet:-

- 2.1 Approves that the City Council's role as Accountable Body for the EZ will be extended to include the Curzon Investment Plan and an extended timeline from 2037/38 to 2045/46.

And that acting in its role as accountable body for the GBSLEP:

- 2.2 Approves the content of the Curzon Investment Plan, attached in Appendix 1, which sets out the framework for investment priorities and programme for the period 2016/17 to 2045/46, with a total indicative funding package of £724m. This includes EZ funded capital and revenue investment of £556.8m supported through the Greater Birmingham and Solihull Local Enterprise Partnership (LEP).
- 2.3 Notes that, subject to approval to the recommendations in this report, the total EZ funding is now £1,015.1m (Appendix 3).
- 2.4 Approves the content of the EZ Governance Structure and Financial Strategy, as set out in Appendix 4.
- 2.5 Approves a programme of further prudential borrowing to meet the additional EZ capital investment of £668.6m, which includes City Council sponsored projects that are contained in the Curzon Investment Plan (£485.3m), and the £183.3m contribution to Metro, subject to the approval of individual Business Cases and subject to regular review and updates to the Enterprise Zone Investment Plan.
- 2.6 Notes an overall budget totalling £71.5m for new revenue investment, Accountable Body and programme delivery costs contained in the Curzon Investment Plan. These costs will be wholly funded by the uplift in EZ business rates.
- 2.7 Notes the ring fencing of £183.3m of EZ resources by the Greater Birmingham and Solihull Local Enterprise Partnership (LEP) to the delivery of the Midland Metro from Birmingham City Centre to the HS2 Interchange, which will be directly funded through the uplift in business rates generated by the EZ, subject to Project Definition Documents and Full Business Cases and availability of match funding.
- 2.8 Notes that future business rates revaluations may reduce EZ income and affect the ability to approve business cases. A positive dialogue is in progress with Government officials which seeks to address the issue.
- 2.9 Subject to satisfactory resolution of the business rate revaluation issue in recommendation 2.8, authorises the City Council to enter into the Memorandum of Understanding (MOU) attached in Appendix 5, which sets out the terms and conditions, between the LEP, DCLG and the City Council, for the extension to the EZ.
- 2.10 Authorises the City Solicitor to negotiate, execute, seal and complete all necessary agreements and documentation to give effect to the above recommendations.

- 2.11 Approves the recruitment of posts for the Curzon Delivery Team, as set out in the Curzon Investment Plan. The posts will be fixed-term for 4 years from 2016/17 to 2020/21 funded through the EZ.
- 2.12 Notes the extension of the EZ area from 69.8 ha to 113.5 ha and the extended time period for the retention of the uplift in business rates income from 31 March 2038 to 31 March 2046.

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3. Consultation:

3.1 Internal

- 3.1.1 The Leader has been consulted on the report and supports its recommendations. Officers from Planning and Regeneration, City Finance, Legal Services have been involved in producing this report and the Curzon Investment Plan to ensure it is a deliverable and affordable proposition.

3.2 External

- 3.2.1 The Chair and Deputy Chair of the LEP Board, the Chair of the EZ Executive Board, and the Chair of the Shadow Board of the Curzon Regeneration Company have guided the development of the Curzon Investment Plan, and support the recommendations of this report. The GBSLEP Local Authority Leaders have also been briefed on the Curzon Investment Plan support the approach to investment. The objectives and priorities set out in the Curzon Investment Plan were developed based upon consultation meetings during the preparation of the Curzon Master Plan, which was approved by Cabinet on February 2014, and the Midlands HS2 Growth Strategy launched in April 2015. Additional consultation, where appropriate, will be undertaken as part of the development of individual business cases for projects.

4. Compliance Issues:

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

- 4.1.1 The development within the EZ supports the Council Business Plan and Budget 2016+, and promotes transformational change in the City Centre in line with the Big City Plan, Curzon Masterplan and Birmingham Development Plan. In particular, the Curzon Investment Plan will contribute towards the City Council's high level outcome to deliver a strong economy by supporting development activity, job creation and delivering transport and other improvements. The EZ, along with the resources available through the EZ Curzon Investment Plan is key to the delivery of the LEP Strategic Economic Plan (SEP), and the Midlands HS2 Growth Strategy which is a priority for the LEP and Combined Authority to maximise economic impact of HS2.

4.2 Financial Implications

- 4.2.1 Within the EZ all business rates are collected by the City Council with any net uplift in the business rates collected within the Zone allocated to the GBSLEP for a period to 31 March 2046. It is the LEP who decide how and where these funds are deployed and will make the investment decisions over the resource. As Accountable Body for the GBSLEP, the City Council has responsibility for financial governance over the EZ.
- 4.2.2 In its Accountable Body role, the City Council has and will undertake prudential borrowing to support GBSLEP approved capital projects. To support the governance of this role where projects are delivered through the City Council, individual project Business Cases for capital and revenue investments will be taken through the Council's governance process. Prudential borrowing costs will be financed by the 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 development and cost risks of EZ funded projects sponsored outside of the City Council will be the responsibility of the relevant Local Authority or delivery partner.
- 4.2.3 The Curzon Investment Plan sets out proposals that amount to £724m of investment between 2016/17 to 2045/46. This includes £515.3m of capital and £71.5m of revenue expenditure funded through the EZ, and £137.2m for the Metro Extension to Digbeth, to be funded by the Department for Transport. In addition the EZ Programme includes an additional £183.3m contribution towards the cost of the Metro extension from Birmingham to the HS2 Interchange, subject to a full business case and availability of match funding (see Appendix 3). The prudential borrowing costs arising from these investments will be funded through the uplift in business rates income. The revised EZ programme, inclusive of current commitments, the Curzon programme and the Metro Interchange extension contribution, totals £1,015.1m and is considered affordable based on the expected and additional income levels that the EZ will generate.
- 4.2.4 The Curzon Investment Plan has been informed by an update to the EZ financial model. Business rates uplift income has now been categorised by its degree of certainty, linked to the proposed phasing of new development, to ensure that investment and prudential borrowing is sustainable prior to each commitment phase.
- 4.2.5 In 2012 Birmingham City Council and the LEP established a set of financial principles for the EZ, and these will continue to apply to the extended EZ including Curzon. Accordingly, the City Council will continue to apply a safety margin whereby 15% of business rate income is held in reserve and not committed against investment proposals until there is greater surety of future uplift in business rate income. Borrowing costs will also be kept within 65% of forecast income. Monitoring of the Investment Plan including Curzon as set out in this report shows that the 65% limit is currently forecast to be breached in 2018/19. This will need to be addressed in the intervening period to ensure that the limit is not breached. It should be noted that sufficient funds are forecast to be held in the 'safety margin' reserve described above, to cover the shortfall in 2018/19. Details of these principles are set out in the EZ Governance Structure and Financial Strategy (Appendix 4).

4.2.6 An additional £668.6m of City Council prudential borrowing is proposed to fund the greater part of the additional EZ capital investment for the Curzon Programme (£485.3m) and the contribution towards the cost of the Metro extension from Birmingham to the HS2 Interchange (£183.3m). This will be spread over a period of years, and the revenue costs of the borrowing will be financed through business rate uplift. This represents a significant increase in the Council's total loan debt forecast at £3,490m at the end of 2016/17, and will require an increase in the Council's prudential limit in future years. This additional borrowing will be subject to consideration of its affordability as part of each individual project Business Case. This means decisions to commit funding by approving capital projects will only be made when sufficient business rate income has been secured to cover the prudential borrowing implications arising. In particular, the EZ financial principles outlined above are intended to keep borrowing costs to a prudent proportion of forecast EZ income from business rates. Nevertheless the loan payments will be the liability of the Council to meet, whatever business rate income is actually achieved. Whilst there is currently no indication that the Government has any intention to use its power to impose a statutory limit on Local Authority borrowing, it should be noted that a Government borrowing limit could affect implementation of the Curzon Investment Plan.

4.2.7 Individual Business Cases will be required for EZ projects and will follow the City Council's normal 'gateway' procedures for capital and revenue project approval and will also need to seek specific approval by the EZ Executive Board. The ongoing revenue costs arising from EZ funded capital projects will be met by EZ resources. The financial strategy is focussed upon delivering a programme that will support business growth in order to provide an investment source for wider LEP investment. The City Council's Accountable Body costs, as well as other costs associated with programme delivery, will be reimbursed by the EZ. This revenue investment will be funded as the first call against EZ business rate resources.

4.2.8 It should also be noted that the Government will be revaluing business rates with effect from 1 April 2017. The rateable value of individual properties may go up or down, but the national total of business rates will remain fixed, as the rate multiplier is adjusted accordingly. This means that in some areas, business rates income increases, and in others it decreases. At a local level, adjustments will be made to Government grants to ensure that each local authority will be no better and no worse off as a result of the revaluation. Discussions with Government officials are ongoing as to whether such adjustment would be made for EZ's.

At the last (2010) revaluation, average business rates income in the EZ reduced by an estimated 5.6%. Without an adjustment as described above, a significant reduction in EZ income might occur at every five year revaluation. Discussions have taken place with Government officials to find a way forward. These are progressing positively and the outcome of the decision is awaited. Pending satisfactory resolution of the issue, the impact of business rates revaluation will need to be taken into account in considering the affordability of individual business cases which come forward for approval, in accordance with the EZ Financial Principles.

4.2.9 The Curzon Investment Plan, set out in this report, represents the current best estimate of future resources and priorities, and these may be subject to change as spending priorities and resource availability are reviewed. Updates to the EZ Investment Plan (including Curzon and the Midland Metro Extension) will be brought to the LEP and the City Council as appropriate.

4.2.10 The Curzon Investment Plan forms part of the West Midlands Combined Authority's (WMCA) overall HS2 Delivery Programme. The financial mechanisms for the WMCA investment programmes have not yet been finalised, and it is possible that the WMCA might carry out the prudential borrowing instead of Birmingham City Council. Either way, the LEP would approve the revenue support from its business rates income to meet the revenue cost of the agreed borrowing.

4.3 Legal Implications

4.3.1 The Local Government Finance Act 2012 supports the development of EZ 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 LEP, to retain 100% of business rates income from within the EZ.

4.3.2 Section 1 of the Local Government Act 2003 gives the City Council the power to borrow money for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. The City Council, as Accountable Body, has responsibility through the LEP to manage the Investment Plan funding.

4.4 Public Sector Equality Duty

4.4.1 In overall terms the EZ has been assessed (Appendix 2) 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 EZ will advance equality of opportunity as a result of its promotion of development and regeneration activity. Since the original Investment Plan was approved in 2012, no equality issues have been raised on the broad approach taken. The Curzon Investment Plan forms part of the delivery of the EZ initiative and as such will help secure the delivery of the objectives and contribute to the positive impacts. Individual projects have and will be subject to equality analysis.

4.5 Memorandum of Understanding

4.5.1 The MOU (Appendix 5) sets out the Terms and Conditions of an agreement between DCLG and BCC, acting as the Accountable Body. The document sets out the responsibilities and requirements the organisations have in agreeing to the extended EZ. This includes, business rate retention, business rate discount (existing EZ only), having suitable governance processes in place, providing a Curzon Investment Plan, marketing requirements and the monitoring requirements of DCLG.

5. **Relevant background/chronology of key events:**

5.1 HS2 is a once in a century opportunity for the City to enhance its national rail connectivity and accelerate its economic growth potential. It arrives in Birmingham City Centre in 2026 with a new terminus station, Birmingham Curzon. The new high speed rail service will provide radically improved connectivity linking the city with both the north and south of the country, bringing upward of 25,000 passengers per day to the city. Alongside the significant improvements in connectivity HS2 will provide a catalyst for economic development and regeneration in the city centre and beyond. The growth opportunity at Birmingham Curzon was first established in the Curzon Masterplan.

5.2 Launched in February 2014, the Masterplan set out how the arrival of HS2 can be maximised and the growth and regeneration opportunities around the terminus station unlocked. Covering 141 hectares of the City Centre, with the area centred on the HS2 City Centre Terminus Station, the strategy of the Masterplan is:

- For the delivery of an integrated world class station
- A series of big moves to achieve this integration and support wider growth and regeneration for the area. The big moves include:
 - Station design to create a landmark building and arrival experience
 - Creation of a high quality setting for the station with public squares and spaces including;
 - Paternoster Place
 - Curzon Promenade and Curzon Square
 - Station Square and Moor Street Queensway
 - Midland Metro Tram connecting the station with the wider city centre network and continuing the line into Digbeth. This will be the first phase of the eastern extension that will see the line go out through East Birmingham – HS2 Interchange
- Wider network of public transport and public realm improvements promoting walking and cycling to integrate the station and surroundings into the wider city centre and beyond
- The growth potential across the Curzon area identifying opportunities for development linking into the wider city centre growth agenda set out in the Big City Plan and city agenda of the Birmingham Development Plan.

5.3 Key to unlocking the Masterplan growth is the delivery of a £724 million local infrastructure investment package. The Curzon infrastructure investment package is based upon detailed evidence of the local infrastructure needs for the area. The programme covers a 20 year period and the value accounts for impacts of inflation and contingencies in line with standard practice for the development of a programme. It consists of two phases:

- Phase One - upfront investment in the infrastructure required to unlock growth immediately around the station including HS2 Station Environment (Big Moves), Metro Extension to Digbeth, Site Enabling works and public realm and local transport improvements
- Phase Two - further investment over wider area including area wide public realm and local transport/highway improvements, social Infrastructure to support new residential neighbourhoods

5.4 The economic impact across the Curzon area is estimated as 36,000 jobs, 600,000sqm of commercial floorspace, over 4000 new homes and £1.7bn private sector investment. A priority for the work will be targeting the jobs to local people through a range of measures in line with the Birmingham Skills Investment Plan, using tools such as Apprenticeships, the Youth Employment Initiative and COG platform.

5.5 The plans for Curzon sit within a region wide strategy that will ultimately deliver investment of £4.4bn, including new transport infrastructure and major new economic growth. This region wide plan, the HS2 Midlands Growth Strategy, was published in April 2015. The strategy has seen partners across the Midlands collaborating on HS2 to secure the best outcomes for the region. This work has been overseen by the Greater Birmingham and Solihull LEP (GBSLEP) and approved by Government in November 2015 as part of the

Devolution Deal. It will be incorporated into the West Midlands Combined Authority (WMCA) when it is established in Summer 2016.

- 5.6 To facilitate the funding for the Curzon infrastructure programme, a case, as part of the Midlands Growth Strategy was set out for the EZ to be extended. As part of the WMCA Devolution Deal, an extension of the City Centre Enterprise Zone both in terms of geography (from 69.8ha to 113.5 ha) and time for retention of business rate growth for the whole EZ extended to 31st March 2046 was proposed. This was agreed on the principle basis that the available funding would be prioritised to support the delivery of the Curzon infrastructure programme and a contribution made toward the extension of the Midland Metro through East Birmingham and North Solihull. In addition the Devolution Deal also provided Government commitment to capital funding, subject to the business case, for the Midland Metro Tram from the city centre core to Digbeth.
- 5.7 The City Centre EZ was first established in 2011 to facilitate the delivery of development and long term growth utilising the net uplift in business rates that supports the prudential borrowing costs required to enable the development. An Investment Plan worth £275m to support growth in the existing EZ was approved by Cabinet in 2014.
- 5.8 The Curzon Investment Plan is now proposed to maximise the impact of HS2 at Curzon. It sets out the £724m package of investment and incorporates the £556.8m that will be supported by the expanded EZ. In recognition of the expansion of the EZ, the governance and financial principles have been updated to reflect that the EZ financial model now incorporates the Curzon capital programme and its contribution to the delivery of the Metro extension to the HS2 Interchange. This is set out in the Governance Structure and Financial Strategy (Appendix 4) to ensure consistent and robust approvals are made across the now extended EZ and sufficient risk management is in place to safeguard the Council, as the Accountable Body, against financial commitments that may not be affordable.

6. Evaluation of alternative option(s):

- 6.1 Do not deliver the Curzon Investment Plan and updated financial principles – failure to deliver the priorities set out in the Plan will mean that the City Council and LEP cannot access the opportunity for additional funds to deliver and support local economic growth. As a result the outputs will not be realised or will take longer to deliver in terms of job creation, floorspace and Gross Value Added to the economy.
- 6.2 Explore alternative approaches – the Curzon Investment Plan identifies the necessary investment projects needed to support those developments necessary to maximise the benefits of HS2 and unlock the associated uplift in Business Rates. Exploring alternatives would undermine the principles and projects set out in the Plan and will delay the delivery of additional investment. In arriving at the programme presented, many alternatives and options within the plan have been considered.

7. Reasons for Decision(s):

- 7.1 To allow officers to continue to implement the EZ and progress individual business cases for projects identified within the Curzon Investment Plan
- 7.2 To ensure that the financial principles and role of the Accountable Body remains up to date and supports the delivery of the Curzon Investment Plan.

Signatures**Date**

John Clancy
Leader of the Council

Waheed Nazir
Strategic Director - Economy

List of Background Documents used to compile this Report:

Enterprise Zone Investment Plan – June 2012
Enterprise Zone Revised Investment Plan Cabinet report July 2014
Enterprise Zone Financial Model
Curzon Master Plan

List of Appendices accompanying this Report (if any):

1. Curzon Investment Plan
2. Equality Report
3. Curzon Investment Plan and EZ Programme Spend Summary
4. Enterprise Zone Governance Structure and Financial Strategy
5. Memorandum of Understanding



Curzon Investment plan

September 2016

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It is an unprecedented time for the Greater Birmingham area. We are experiencing an economic renaissance fuelled by significant private investment and the implementation of major infrastructure schemes. The proposals for High Speed 2 (HS2) will further enhance this position, providing unrivalled connectivity and bringing huge growth and jobs benefits.

Since 2014 the Greater Birmingham and Solihull Local Enterprise Partnership (LEP) and Birmingham City Council have been developing plans to maximise the potential of HS2 in the city centre.

The launch of the Curzon Masterplan in February 2014 set the aspiration for growth around the City Centre HS2 terminus station. The subsequent publication of the Midlands HS2 Growth Strategy in April 2015 established how we are going to maximise the impact, attract significant private sector investment to the region and deliver local infrastructure.

The Growth Strategy was a statement of intent for how we will utilise HS2 as a catalyst for growth. This, combined with local commitments, will lead our investment in the people, businesses and places across the region.

For the Curzon area The Devolution Deal, announced in December 2015, secured a major extension of the City Centre Enterprise Zone (EZ) to fund the local infrastructure necessary to unlock growth. In addition there was the commitment to capital funding for the £137m Digbeth Midland Metro tram extension.

The EZ was first launched in 2011 and provides the unique ability to retain and then target the uplift in business rates to fund local infrastructure and unlock development.

The recently agreed expansion of the EZ, with an additional 44ha of land and the time period for the retention of the uplift in business rates extended from 2038 to 2046, will provide the mechanism to fund a £724m investment programme for the Curzon area. This programme is detailed through this investment plan.

Delivering this infrastructure across the Curzon area will help drive major growth and regeneration with over 600,000sq.m. of commercial space, 4,000 homes, 36,000 jobs and over £1.7bn of private sector investment attracted.

By launching the Investment Plan the LEP and City Council are committing to the long term delivery of growth to maximise the impact of HS2.

Steve Hollis

Deputy Chair,
Greater Birmingham & Solihull LEP

Councillor John Clancy

Leader,
Birmingham City Council

Introduction

HS2 is a once in a century opportunity for the City to enhance its national rail connectivity and accelerate its economic growth potential.

It arrives in Birmingham in 2026 with a new terminus station, Birmingham Curzon. The new high speed rail service will provide radically improved connectivity linking the city with both London as phase 1 and Manchester, Sheffield, Leeds and Crewe as phase 2. It will bring upward of 25,000 passengers per day to the city centre.

Alongside the significant improvements in rail connectivity, the arrival of high speed rail will spark a new wave of growth and development in the city centre and beyond.

At the heart of this opportunity is the new HS2 station, located within the city centre and with close proximity to the existing Moor Street and New Street stations.

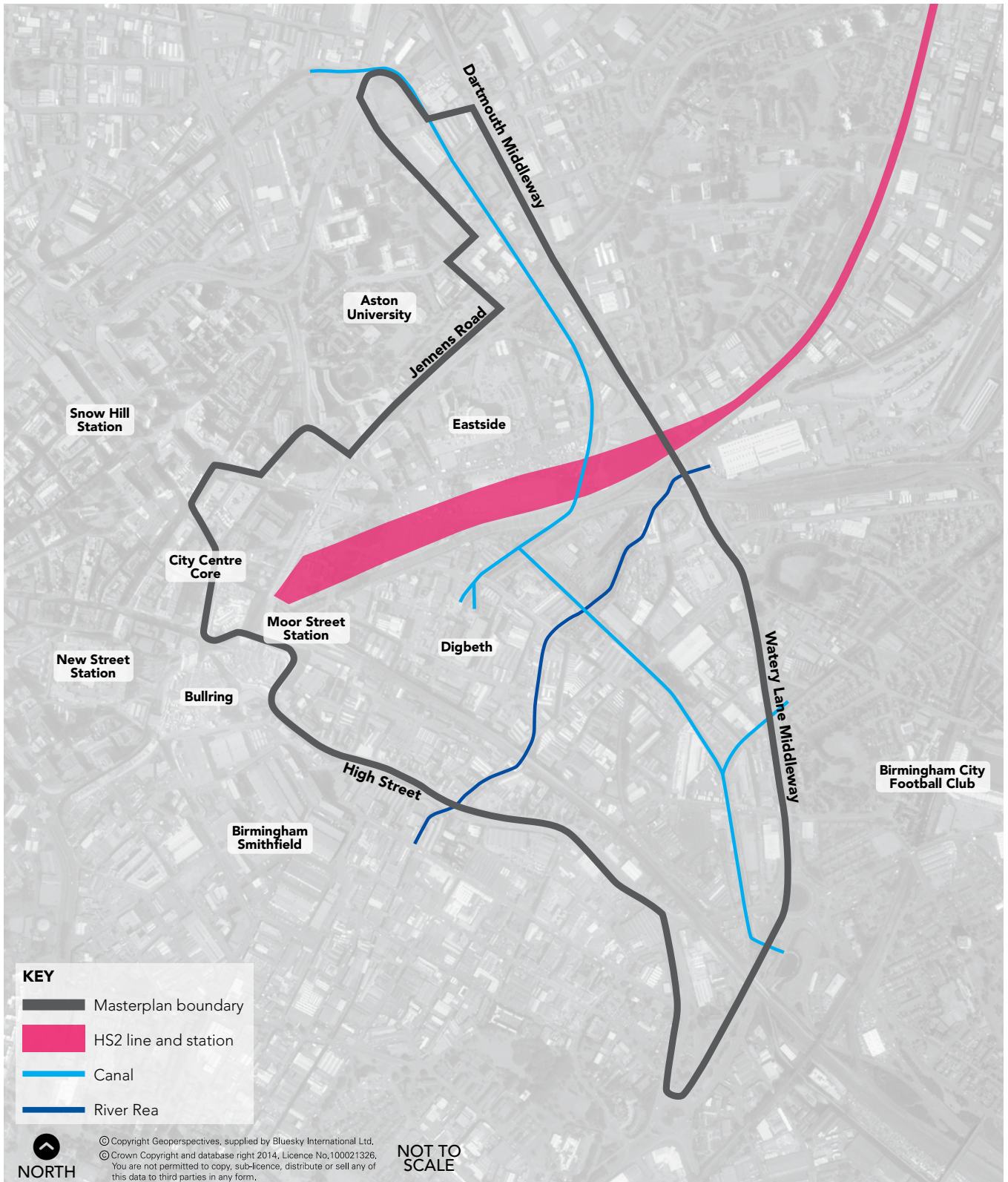
The Curzon Investment Plan sets out how the regeneration potential of this opportunity will be maximised through a £724m programme of local infrastructure over and above the investment by HS2, that will integrate the new rail terminus and unlock wider development. The Curzon Investment Plan responds to the strategic direction set by the Curzon Masterplan, launched in February 2014. The masterplan sets out how a fully integrated city centre terminus station can, alongside a package of wider interventions, unlock significant development opportunities across a large part of the City Centre.

The plans for Curzon sit within a region wide strategy that will ultimately deliver investment of £4.4bn, including new transport infrastructure and major new economic growth.

This region wide plan, the Growth Strategy, was published in April 2015. The HS2 Midlands Growth Strategy has seen partners across the Midlands collaborating on HS2 to secure the best outcomes for the region. This work has been overseen by the Greater Birmingham and Solihull LEP (GBSLEP) and will be incorporated into the West Midlands Combined Authority (WCA).

The Growth Strategy leverages the benefits delivered by HS2 to drive local growth on a nationally significant scale over and above the construction of HS2. This will be achieved through targeted packages of interventions that are tailored to the local context. It will ultimately drive job creation, increased productivity and generate net national growth. The plans for Curzon are an integral part of delivering the region wide strategy.

The primary funding source for the Curzon package is the City Centre Enterprise Zone (EZ). The EZ was first established in 2011 by the GBSLEP and enables the retention of uplift in business rates generated by the zone to be re-invested. As part of the West Midlands Devolution Deal (2015) the EZ was extended to cover the Curzon area, to enable the delivery of local infrastructure to drive growth. Alongside the existing EZ Investment Plan (2014) of £275m, Curzon is the primary priority for EZ investment, attracting significant private sector investment and delivering growth and jobs.



Plan 1 Birmingham Curzon HS2 Masterplan Area and City Centre context

Curzon Investment Strategy

As a key site within the HS2 network, Birmingham Curzon will become a focal point for transformation, development and economic growth.

The Curzon Masterplan establishes how the arrival of HS2 can be maximised and the growth and regeneration opportunities around the terminus station unlocked. Covering 141 hectares of the City Centre, with the area centred on the station, the strategy of the masterplan is:

- For the delivery of an integrated world class station. In order to deliver successful regeneration and act as catalysts for growth, the station must become a destination in its own right, and open up connections to the wider area. This will include its immediate surroundings as a place that enables activity and movement of people.
- A series of big moves to achieve this integration and support wider growth and regeneration. Creation of a high quality setting for the station with public squares and spaces to create an attractive destination, open up surroundings, improve access and create conditions for growth. The big moves include:

HS2 Station - creating a landmark building and arrival experience.

Paternoster Place - connecting into the Digbeth Creative Quarter by bridging the west coast mainline.

Curzon Promenade and Curzon Square - creating the station in the park and providing a setting for the original Curzon Station building (Grade I listed building).

Station Square and Moor Street Queensway - first point of arrival and connecting, via a high quality space and environment, the city centre office and retail core with the station.

Midland Metro Tram - connecting the station with the wider city centre network and continuing the line into Digbeth. This will be the first phase of the eastern extension that will see the line go out through East Birmingham and North Solihull to UK Central and the Airport and NEC.

- Wider network of public transport and public realm improvements promoting walking and cycling to integrate the station and surroundings into the wider city centre and beyond. This will play a central role in creating an attractive environment for business, workers, residents and visitors with the quality of the environment directly linked to key investment decisions.
- To unlock opportunities for development linking into the wider city centre growth agenda set out in the Big City Plan.

Growth opportunities

The masterplan focuses on utilising HS2 as a catalyst for growth across the Curzon area, enhancing the city centre's existing assets and supporting new development. These growth opportunities include:

Expanding The Central Business District - home to the largest centre for the business, professional and financial services outside London with over 40,000 employees and 500 businesses. The plans for Curzon will see the district expand.

This will include the redevelopment of major strategic sites such as Martineau Galleries.

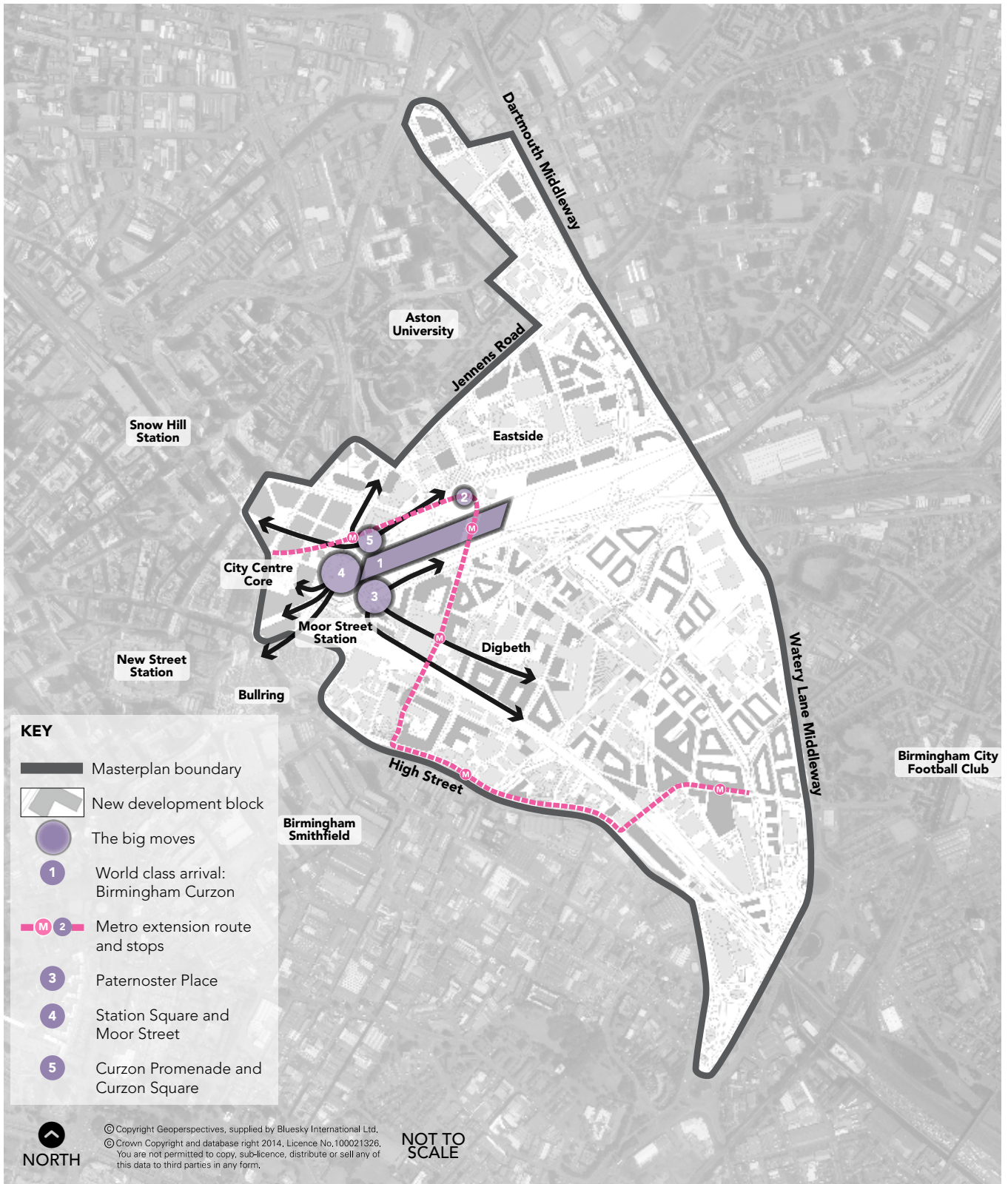
The Digbeth Creative Quarter - home to leading digital media, tech and creative companies the quarter is set to expand significantly on the back of the arrival of HS2. Through the Curzon Masterplan there are clear proposals to integrate into the wider city centre and neighbouring Knowledge Hub.

The Knowledge Hub - focused to the north of the HS2 station this area is home to over 20,000 students and a number of leading educational establishments including Aston University and Birmingham City University. The proposals will bring together research and innovation capabilities to support economic growth across a range of sectors. The area will also be home to the new national college for High Speed Rail.

Residential Communities - creating new neighbourhoods across the Curzon area enhancing the city living offer and providing places that complement the commercial, leisure and cultural activity including homes for the future workforce.

Realising this vision, by building on its principles and setting the framework for an investment programme, will help deliver a number of economic benefits:

- 600,000sq.m of employment floorspace.
- Over 4,000 new homes creating additional local expenditure of £41m per year.
- 36,000 net new jobs by 2056 creating GVA per annum of £1.4bn.



Plan 2 Birmingham Curzon Masterplan - The Big Moves

Wider opportunities

In addition the following neighbouring opportunities will benefit through the catalytic effect of HS2 and investment across Curzon including:

Southern Gateway - a 61ha regeneration area that will see new residential neighbourhoods with over 5,000 homes delivered.

Birmingham Smithfield - a 14ha site delivering a new place for the city with vibrant new markets, cultural offer and family leisure and entertainment, alongside 2,000 new homes as part of an exemplar neighbourhood. The site is adjacent to the Curzon Masterplan area, and this proximity will bring new impetus and activity. A masterplan for the site was launched by the City Council in March 2016.

Snow Hill District - adjacent to the existing business district this 42ha area will see 200,000sq.m commercial and 2,000 residential units. In October 2015 the City Council adopted the Snow Hill Masterplan, setting out clear proposals, including enhanced connections to the HS2 terminus.

East Birmingham and North Solihull - benefiting from the Midland Metro connection and proximity to the HS2 growth hubs at UK Central and Curzon. This area will be dramatically transformed with new neighbourhoods and commercial development.

HS2 will also benefit the wider City and region supporting new investment to unlock further growth. This includes its role in the Midlands 'Engine for Growth', with the potential to ensure that the City's manufacturing and other sectors can benefit from

HS2 arriving in the City. With HS2 placing Birmingham into London's Zone 4 for journey travel times, it will enhance the attractiveness of the City and the wider area's housing and business offer.

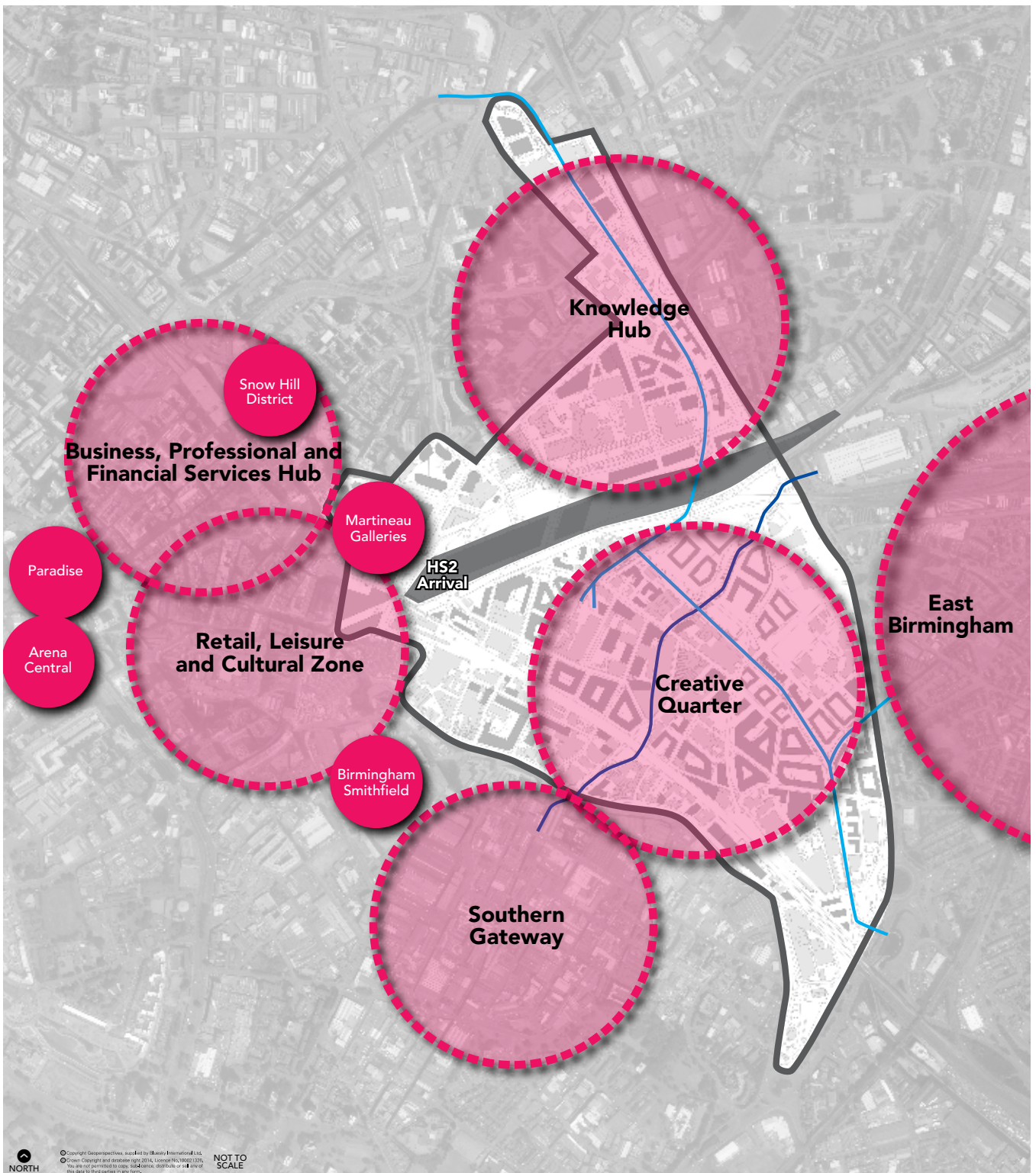
The investment package

Key to unlocking growth and maximising the potential is the delivery of a local infrastructure investment package for the Curzon area consisting of two phases:







- Phase One - upfront investment in the infrastructure required to unlock growth immediately around the station including HS2 Station Environment (Big Moves), Metro Extension to Digbeth, Site Enabling works and public realm and local transport improvements.
- Phase Two - further investment over the wider area including area wide public realm, local transport/highway improvements, Social Infrastructure and supporting infrastructure for the growing residential population.

In order to unlock growth and maximise impact, investments will need to be targeted to respond to the key deliverables, outcomes and strategy of the masterplan. These will be underpinned by a series of investment priorities and decisions to fund projects within these phases, informed by investment drivers that are essential to delivering the financial model that makes this programme, and the wider EZ, viable. The initial focus will be on phase one and making sure the infrastructure around the station successfully delivers the objectives of integrating the station into the City Centre. Successful delivery here will then set the foundations for implementing phase two, and the wider investments that will deliver further floorspace, jobs and business rates.

The unlocking of business rates is a principle driver, as this is essential to meeting the EZ Prudential Borrowing commitments that form a significant element of the funding package. The growth across Curzon will also involve the creation of new communities and the delivery of homes and associated infrastructure, which is a key component for the Investment Plan.



KEY

- | | |
|---|---|
|  Masterplan boundary |  Places for growth |
|  HS2 line and station |  Canal |
|  New development block |  River Rea |

Plan 3 Birmingham Curzon and wider regeneration opportunities

Investment programme

Delivering the vision and growth potential outlined in the Investment Strategy requires a comprehensive programme that sets out the projects to be delivered and the resources required to implement them.

By utilising the funding commitments agreed in the Devolution Deal; combined with the integration of existing programmes and financial mechanisms made available through the extension to the Enterprise Zone, a £724m funding package has been identified to deliver local infrastructure, unlock development and maximise growth across the Curzon area.

Within this package investment of up to £586.8m, earmarked from the Enterprise Zone has been identified as necessary to deliver the additional regeneration benefits and other place making opportunities. This Investment Plan focusses on how this funding will be prioritised and targeted in line with the investment strategy.

This programme is built around 2 phases:

Phase 1 (2016-2026 - £399m)

- Upfront investment in the infrastructure required to integrate the station and unlock growth immediately around it including strategic sites.

Phase 2 (2026-2038 - £325m)

- Further investment over the wider area including public realm and local transport/highway improvements to unlock the full potential for growth in housing and jobs across the Curzon area.

Tables 1 and 2 set out the total Curzon investment programme worth £724m. Based on existing funding commitments of £167.2m it has been identified that EZ resources of £556.8m are required to deliver this Investment Plan.

As part of the programme, specific revenue projects will be delivered including resources to manage the programme.

Table 2 sets out the total revenue costs. The programme will be managed by the Curzon Delivery Board, which will require an appropriate level of resource to fulfil its responsibilities. This includes salary funding for a Curzon Delivery Team and associated project development costs, which are essential if the objectives and benefits are to be achieved. A programme of this scale requires dedicated support.

Table 3 sets out the funding commitments already identified and includes resources to deliver the Metro extension to Adderley Street and an existing commitment



Birmingham Curzon concourse entrance

from the EZ. It's anticipated that further funding would be secured from the public and private sectors as projects are developed and the financial model will be updated to reflect this.

The plan sets out the approach for the overall investment programme, with a greater level of information for those projects within Phase 1, which is associated with upfront infrastructure around the station. Phase two will proceed as the income becomes available from the growth in business rates but is essential to realise the full growth potential.

The Investment Plan will be a live document that will be updated every 3 years to ensure projects are progressing and being developed in line with the Investment Strategy. It is proposed that each investment theme will be co-ordinated by a 'Working Group' that will be responsible for developing a programme of activity, which sets out the detail of the work to deliver the projects for the following 2 years. A programme of key tasks and milestones for 2016/17 is set out in Appendix 1.

Delivering the vision set out in the Curzon Masterplan will require a wide range of activity that will build on the opportunities created by the Station and Metro extension. These major pieces of infrastructure will unlock sites and areas of the city centre that have not yet realised their full potential. By targeting the investment at these areas it will be possible to deliver the new employment floorspace, that are necessary to drive the uplift in business rates that supports the EZ resources.

Capital project	Promoter	Total (£m)	Phase 1 to 2026 (£m)	Phase 2 2027-2038 (£m)
HS2 Station environment	BCC	44.2	44.2	0
Metro extension to Digbeth	TfWM	137.2	137.2	0
Site enabling works	BCC	101.6	91.6	10
Local transport improvements	BCC	109.8	40.5	69.3
Connecting economic opportunities	BCC	149.8	38.9	110.9
Social infrastructure	BCC	109.9	0	109.9
Sub total		652.5	352.4	300.1

Table 1 Curzon investment programme

Revenue costs	Total (£m)	Phase 1 to 2026 (£m)	Phase 2 2027-2038 (£m)
Investment programme - delivery vehicle operating costs	44	28.8	15.2
Business development	22.5	14.5	8
Marketing	5	3.4	1.6
Sub total	71.5	46.7	24.8
Total	724	399.1	324.9

Table 2 Revenue delivery vehicle operating costs

Funding source	Value (£m)
Extended EZ	556.8
Existing EZ Investment Plan (2014)	30
Metro funding - West Midlands Combined Authority	137.2
Total	724

Table 3 Funding commitments

HS2 Station

Introduction

Ensuring that the Station integrates with its surrounding environment is a key objective for transforming this area of the City Centre. Delivering a programme, based around the 'Big Moves', will interlink with the development of the station and ensure its integration into the fabric of the city centre unlocking the growth of the wider area. The design of the station is a key priority to ensure the wider benefits can start to be realised.

Value

The station and its immediate environs will be funded by HS2 Ltd and no resources are required through this Investment Plan. However, in order to deliver the truly transformational impact of the station, funding is needed to deliver the place making and connectivity aspects that are additional.

Timescales

The station will commence construction in 2020, and finish in 2024. Whilst some of the delivery milestones for these projects are known and are outlined in this chapter, they are dependent on the

overall programme for the design and construction of the station as proposed and owned by HS2 Ltd. This programme will then influence the delivery of the immediate place making projects that will integrate the station into the wider area. The Investment Plan will be updated to reflect the timescales and their cost implications for this programme as more detail is made available.

Delivery partners

Led by HS2 Ltd, this is an ambitious programme and will require multiple stakeholders to come together quickly to meet the timescales set out by Government.

The Station will be funded by Government with input from key stakeholders, including the City Council and TfWM, to reflect the design principles set out within the Curzon Masterplan and the assurances secured to the Hybrid Bill. Achieving high quality design, which integrates the station into its surrounding environment is a key challenge. HS2 Ltd, in partnership with the City Council, will bring together a Design Review Panel that includes specialist architects and urban designers, to influence the station design and help ensure it meets the objectives set out in the Curzon Masterplan.

HS2 Station environment

Ensuring the station building is seamlessly linked into the wider city centre is vital for creating a world class arrival point and unlocking growth and development. To address this, a number of projects that provide important place making elements will be delivered alongside the station. These are over and above the design, as set out in the HS2 Hybrid Bill, but assurances have been provided that will allow for these to be incorporated within the final scheme. The Design Review process will have an integral role in the process.

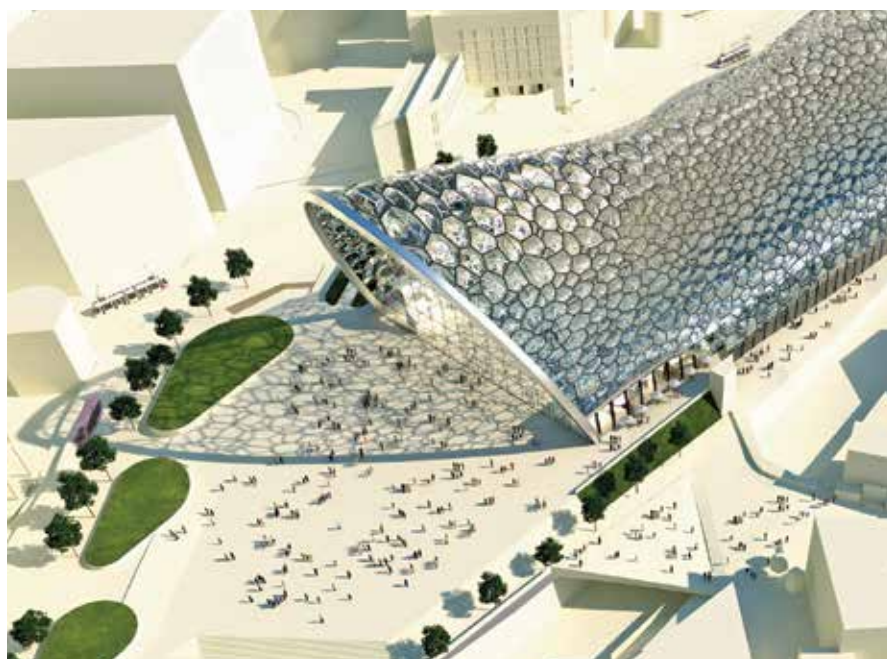
Value

It is estimated that local improvements totalling £44m will be required.

Station Square and Moor Street

Introduction

A major new 'gateway' space to provide the sense of arrival for visitors by High Speed train and from the adjacent Moor Street station. The proposal will see Station Square linked with the Moor Street Queensway to create an area where pedestrians and transport can move efficiently and safely within one high quality public space. This will be vital in connecting into the city centre core and creating a seamless link into the central business district, retail core and interchange with New Street Station and Moor Street Station. The creation of an integrated station concept, with radical re-prioritisation of movement, including use of St Martin's Queensway, will form part of this project. The intention is to rationalise the road space and close it for private vehicles, whilst introducing Sprint as the dominant public transport offer.



Birmingham Curzon HS2

Timescales

Over the next 12 months work will take place to determine the preferred concept, this will inform HS2's Design Ambitions document that will become a design brief for the proposed HS2 station and surrounding public realm, which is forecast to commence in 2018. In addition this work will inform the preparation of TfWM's Metro extension proposals, which will be coming forward in 2018 within a Parliamentary Bill under a Transport and Works Act.

Transport modelling to draw up the preliminary design for the engineering works will commence in 2016.

It's anticipated that final designs for the public realm will be drawn up in 2017. Following approval of the preferred option, development terms will be agreed amongst partners and work will be ongoing to finalise the design, initiate procurement and secure planning in preparation for starting on site in early 2020 in line with the delivery of the station.

Delivery partners

Station Square is the space immediately in front of the station and will fall within the perimeter of the station to be delivered by HS2 Ltd. The City Council in partnership with HS2 Ltd and TfWM, will lead on works to the wider public realm. To achieve the objective of both projects being delivered as one scheme, the preferred delivery model is to work closely with HS2 Ltd to commission the same architect for both schemes and align the respective work programmes.

Paternoster Place

Introduction

As the primary gateway to Digbeth from the station and the City Centre Core, Paternoster Place will be a pedestrian space that will open up the regeneration potential of the Digbeth Creative Quarter and interface with Moor Street

Station. With a number of under-utilised sites and buildings there is great potential for regeneration by linking the Station with Digbeth.

Rather than becoming just a functional link, the funding identified within this Programme will enable this scheme to become a wide and attractively landscaped route that will bridge over part of the existing railway and provide a high quality entrance to Digbeth, vital for improved pedestrian access and a catalyst for further private investment.

Timescales

The delivery of this project is an important early win and with

roads closing in 2017 as part of the HS2 Ltd programme, this will help access to Digbeth whilst construction takes place.

The preferred option will be agreed in summer 2016 and incorporated into the Station design competition commencing in late 2016 with a final design in 2018 and works expected to commence in 2019/20.

Delivery partners

HS2 Ltd will lead on design and planning, and options explored to secure land ownerships. Close working with Network Rail and Chiltern Railways is also required as the project impacts on the adjacent mainlines.



Curzon Promenade

Curzon Promenade and Curzon Square

Introduction

As an extension to Eastside City Park the Promenade will set the Station within a green landscape. The area will be a hive of activity that includes a continuous mix of retail and leisure uses, with potential offices above the ground floor of the station, which interacts directly with the landscaped Promenade that will extend the feel of the Park into the City Centre Core. Curzon Square will be a stretched event space into the City Park that will form part of the station that welcomes passengers from the station itself into the area. The space will also be shared with an extended Metro line.

Timescales

Initial work will focus on designing and agreeing the preferred scheme integrated with the station and agreeing the development terms, which will target completion by the end of 2018. Works on site are expected to commence in early 2020 in line with station works.

Delivery partners

Design, planning and delivery will be led by HS2 Ltd. The City Council will be involved closely to ensure the place making requirements as set out in the Masterplan are incorporated within the final scheme and will lead on securing additional resources if required. TfWM will be integral to delivery as the works will need to align with the Metro extension which will be routed through the area.

Metro extension

Introduction

An extension of the Metro is proposed between the City Centre and Adderley Street and will run through the heart of the Curzon area. Four stops are proposed at:

- Albert Street - Serving the Martineau Galleries Site.
- Birmingham Curzon - On New Canal Street under the station concourse.
- Fazeley Street.
- Adderley Street.

Integrating the Metro with the station will be vital and creating a wide pedestrian boulevard linking the Knowledge Hub and Digbeth is essential as part of this.

In addition to the HS2 station it will provide local and regional access to Digbeth, including Birmingham Coach Station, Custard Factory, and key strategic sites such as Typhoo Wharf. It will also provide important access to the

Southern Gateway and Birmingham Smithfield. Beyond this plans are being developed to further extend the Metro line beyond Adderley Street through East Birmingham and North Solihull to connect with UK Central, including the HS2 Interchange, Airport and NEC. This will be a priority for EZ investment with funds allocated.

Value

The Digbeth extension will cost £137m funded directly from Government grant secured through the Devolution Deal.

Timescales

The principle of the route has now been confirmed and works are expected to start in 2019 following approval to the Transport and Works Act Order Submission in 2018. The extension will complete in 2022. The initial focus will be in preparing the Full Business Case and the design work for the route through Digbeth, which will look at issues such as public realm and addressing existing services and accessibility.



Metro extension at New Canal Street

Unlocking and enabling strategic sites

Introduction

The Curzon masterplan identifies a significant number of opportunities to accommodate commercial and residential development. A large number of these sites face constraints to development and local interventions will be required to support initial viability. Across the area there are a number of strategic development opportunities that will require investment to bring them forward. Unlocking these sites will be important to delivering the economic impact that will create the uplift in business rates and support the growth potential of HS2. Interventions will include gap funding, site acquisition and access improvements.

The Digbeth area is seen as having the ingredients to become one of the most distinctive and vibrant creative quarters in Europe, building on the direct connections from the station that will unlock the area and proximity to the Knowledge Hub and business district. It is however an area characterised by old industrial land and buildings with constraints but the potential is significant. Already plans are emerging to bring the 3.2ha Typhoo Wharf site forward as part of the 'Knowledge Hub' proposals led by a partnership of business investors and academic institutions, including Birmingham City University.

Support for mixed use residential schemes will be central, utilising canal networks, removing heavy industrial uses and clearing sites for development.

Other major strategic opportunities exist across the wider area including at Martineau Galleries and funding will be utilised to kick start schemes as required.

Value

A budget of £101m has been allocated towards this theme and will be utilised for interventions based on business cases that set out the benefits to be delivered.

Timescales

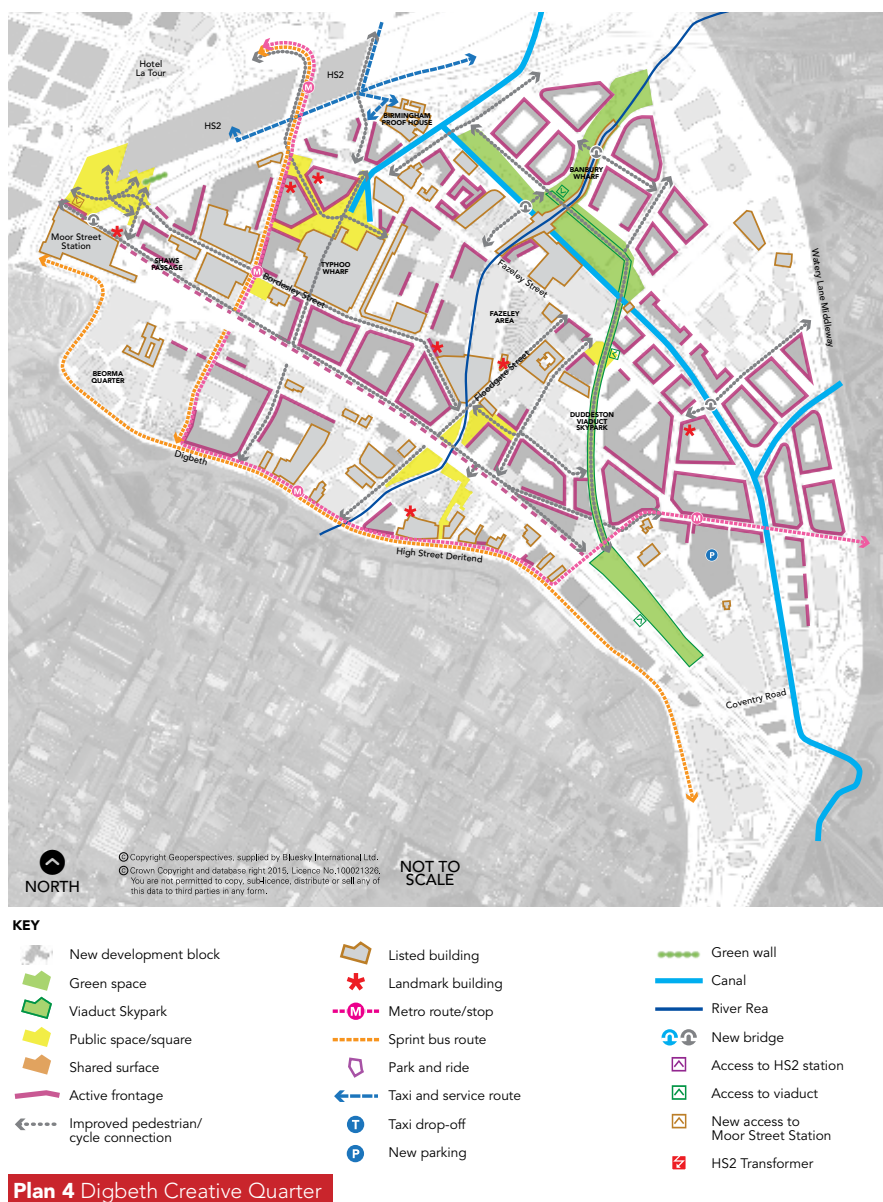
A detailed programme for delivering these sites will be developed. The first task will be to engage with landowners and stakeholders to identify a common vision for the area and priority sites to be brought forward. A masterplanning exercise for the canal corridor will be delivered alongside a review of the planning and conservation area policy for the wider area. Other activities

will include the launch of a site development fund.

Delivery partners

With multiple landowners strong partnership working will be required to bring these sites forward. There are a small number of major landowners that have a major stake in the area and will be responsible for driving forward a number of sites. The City Council will support landowners and investors/developers identifying the delivery arrangements to take forward sites and address constraints.

Other partners include Network Rail, Universities and the Homes and Communities Agency.



Connecting economic opportunities

Introduction

Enabling new development opportunities and encouraging investment cannot be achieved without well connected places along routes that are safe to use.

Projects through this Investment Plan will deliver a number of public realm, cycling and walking initiatives across streets, canals and open spaces.

Initiatives include public realm works in Digbeth, with a major scheme for the High Street, where the quality of the environment and pedestrian facilities are poor and have become a key issue often raised by landowners and prospective investors. This will integrate with the Metro and create connections to Birmingham Smithfield and the Southern Gateway.

Linking key development sites will also be important, utilising the unique assets within the area, such as the railway viaduct and canals. The proposals for the 'Knowledge Hub' include plans to introduce major public realm works to connect the area to other sites such as the proposed STEAMhouse

project at the Typhoo Wharf building.

The proposed Duddeston Viaduct Sky Park, a new destination public space and green walking route to be introduced through the Curzon area, linking residential neighbourhoods and business opportunities is a long term scheme.

Improvements will also be vital to open up links into the wider City Centre and East Birmingham.

Value

Investment of £150m has been identified.

Timescales

This investment will be phased through focused intervention on areas close to the station followed by links to development sites that will come forward as the impact of HS2 takes hold. Initially the focus for public realm works in 2017 will be designing a scheme for Digbeth High Street, where works could start on site connected with the Metro and other early wins around the northern end of Digbeth.

Delivering the Duddeston Viaduct Sky Park is a longer term objective for the programme.

Delivery partners

Works will take place on both public and private land and partners will be identified according to the schemes being taken forward. Work will happen collaboratively in prioritising projects and agreeing how they should be delivered including use of S278 arrangements.

Where transport works are involved, the City Council will work closely with TfWM, HS2 Ltd. and utility companies to align works wherever possible and minimise disruption for businesses and residents.

Local transport improvements

Introduction

The scale of construction over the life of the programme will require fundamental changes and improvements to the local transport infrastructure. The development of both the HS2 Station and Metro will result in some road closures, which require mitigation elsewhere in the network to accommodate the displacement of traffic. Key projects will be the closure of New Canal Street, Park Street and Fazeley Street and the redevelopment of Moor Street. Further traffic improvements will also be required in the areas surrounding the station to enable wider development to take place. In addition there are highway pinchpoints, parking pressures and general access issues throughout the area that will need to be addressed to enable new development. Schemes will be funded to improve movement throughout the area, with public transport and cycling routes prioritised.



View from Fazeley Street looking towards Duddeston Viaduct Skypark

Value

£100m has been allocated for the works with priority projects as part of a wider programme required early to improve accessibility and facilitate key development sites.

Timescales

The first phase of works will be for interventions required to prepare the transport network for delivery of the station. In particular, works are required for the period 2017-2019, which is the point at which Park Street and New Canal Street will close. Works will focus on improvements to increase capacity and prioritise public transport accessibility. Works will need to closely align with the improvements to be delivered by HS2 Ltd. to mitigate the impact of the construction work. This will be vital to support access to key development sites.

In 2016/17, work will focus on developing the preliminary designs for this programme through a series of studies looking at traffic modelling and statutory services. As this programme develops the focus will switch to the requirements in the surrounding area, in particular projects required to enable the accessibility by public transport to development sites and address the impact of the Metro extension through Digbeth including connectivity to the Southern Gateway and Birmingham Smithfield. Links to the City Centre Core will also be vital.

Delivery partners

HS2 Ltd. and TfWM are key partners whose work will need to align with projects in this workstream. Joint working to develop the work programmes will be needed from the outset.

The City Council will have a central role in delivering highway schemes.

Social infrastructure

Introduction

With the creation of 4,000 new homes leading to a population increase of over 6,000 people, investment will be required to ensure the appropriate services are in place so that they become functioning and sustainable neighbourhoods. Funding will support educational, health, digital and community facilities and social initiatives including skills and training that are vital to creating attractive places to live and supporting both new and existing communities including businesses. These facilities will be brought forward in line with new developments at sites across the area, including for example at Banbury Wharf.

The homes will be vital to supporting the city's growing population, whilst complementing the commercial activity by providing residencies for workers and the creation of vibrant neighbourhoods.

Value

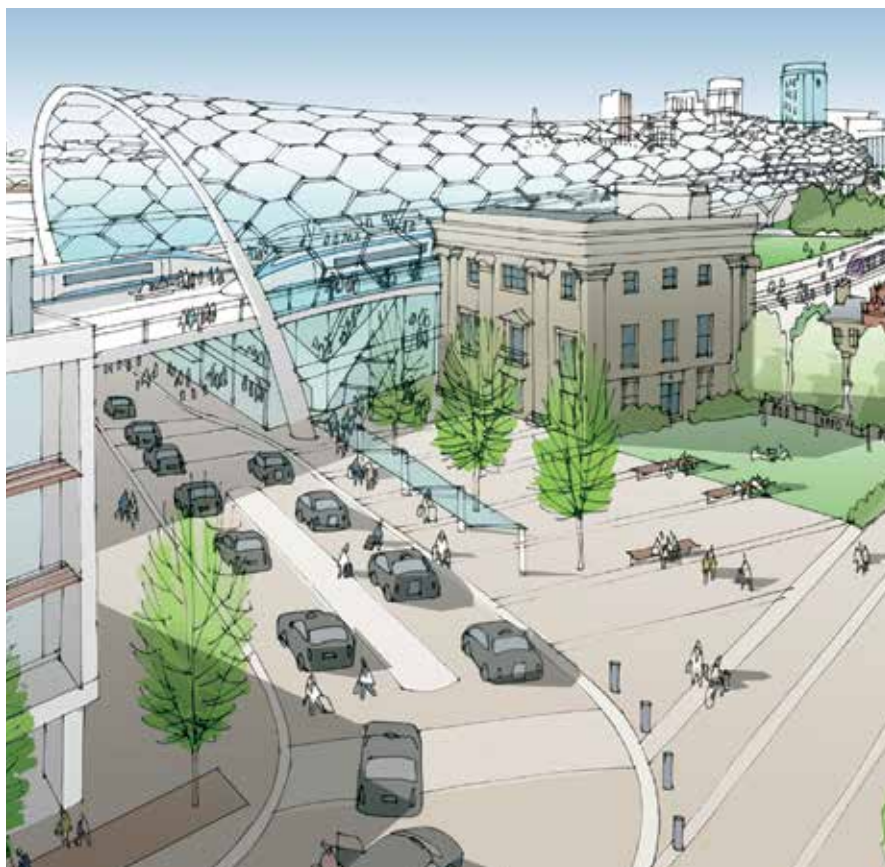
Funding of £110m is necessary to deliver the infrastructure required for this level of population growth with potential to match with some CIL funding in later years.

Timescales

The establishment of new neighbourhoods is considered a long term investment theme within this Investment Plan. Resources are programmed for delivery after 2024, although this could be brought forward in response to new developments as they occur and funding becomes available.

Delivery partners

The City Council will be working with developers, house builders, public sector agencies such as HCA and businesses to bring forward developments and the supporting infrastructure.



View from Eastside City Park looking towards Eastside concourse

Business development and marketing

Introduction

The Curzon area will be the focus for significant business investment and activity. Central to the success will be the ability to attract businesses, enabling them to grow and prosper. Packages of support will be provided to respond to the needs of businesses.

The area is home to significant numbers of small businesses, many in the priority sectors of tech and creative industries. It will be important that support is provided to help them grow, remain competitive and able to diversify into new markets.

Value

Identified within the investment programme is £22.5m to support businesses in the Curzon area and enable them to capitalise on the benefits brought by HS2 and the associated investment in infrastructure.

The Curzon area is also home to the City's Social Enterprise Quarter, where over 70 social enterprises are

located and have come together as a network of businesses that provide commercial services for a wider social benefit. In line with the Government and Council's commitment to socially responsible procurement, support will be given to help social enterprises be competitive within the supply chain for this programme.

The development of digital infrastructure is also a priority and work will be undertaken with business and the Knowledge Hub to maximise the potential.

Marketing and communication is vital to the successful delivery of the programme and resources of £5m have been earmarked for this work. Highlighting the successes of the programme will be important in demonstrating positive progress and the benefits being delivered through this investment.

Timescales

Building on the support already in place within EZ, an increased business support fund will be available from April 2018.

A communication plan will be developed early in 2017. This will set out the marketing priorities to

be funded and will form the basis of a project to be commissioned in 2018. Prior to this the EZ's current marketing arrangements will incorporate this work.

Delivery partners

Many stakeholders, including Marketing Birmingham, the Birmingham Chamber of Commerce, GBSLEP, City Council and the Department of Business Innovation and Skills, the business sector and universities will be important in defining this element of the programme.

The work will be lead by the Curzon Delivery Team.

Curzon Delivery Team

Introduction

A dedicated team will be established to support the Curzon Delivery Board in developing and delivering the programme. It will work with partners to develop projects, secure additional funding and private investment, monitor and evaluate performance and communication with stakeholders. Further detail on this is included in the Governance section.

Value

£44m has been identified to fund the team, including initial project development and feasibility for the life of the programme.

Timescales

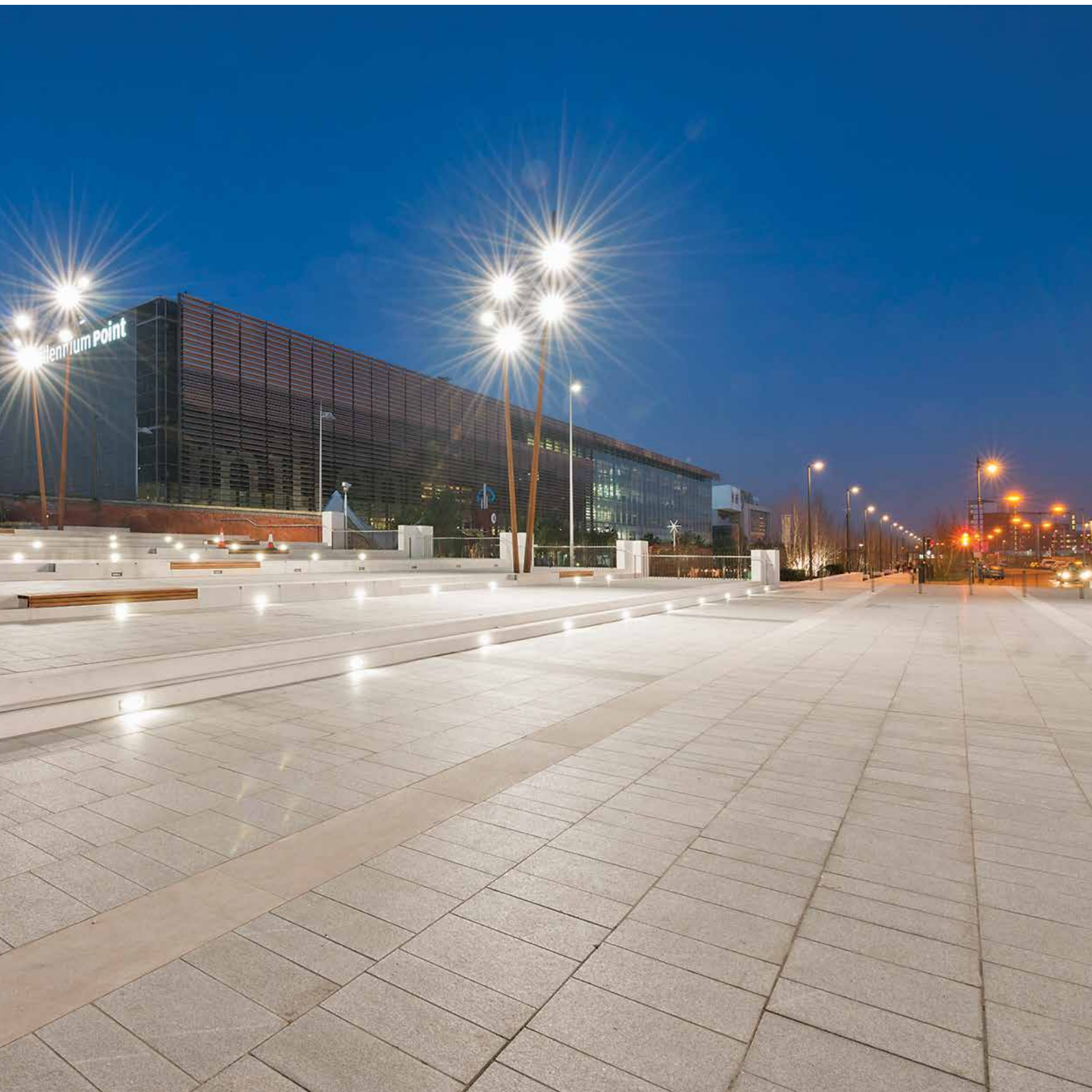
The Delivery team will be in place by 2017.

Delivery partners

The team will form part of the City Council's Economy Directorate and work closely with all stakeholders and report to the Curzon Delivery Board.



Eastside City Park



Economic benefits

As an extension to the existing EZ, the economic impact of this Investment Plan is defined by the model which supports the current delivery arrangements. The key benefits to be achieved are:

- Creation of short-term and permanent employment.
- Additional economic activity resulting from supply linkage and income multiplier effects.
- Broader impacts of the projects in relation to generating additional economic activity and other benefits.
- A range of wider impacts such as image and cultural benefits.

Benefit	Value
Number of jobs	36,000
Average increase in rateable value per sqm	£136
GVA (Birmingham)	£1.4bn
Private sector investment	£1.7bn

Table 4 Benefits

Gross employment

The Curzon Investment package, as outlined through the investment priorities, will generate employment through the construction of new infrastructure and developments, which will accommodate a range of uses.

Permanent employment

The creation of nearly a million sqm of new floorspace will generate significant employment opportunities. Over the life of the programme the net additional permanent employment impact is estimated to be 36,000 jobs.

Construction employment

The level of construction and associated development delivered through this programme will generate significant private investment of around £1.7bn.

Overall this level of expenditure has the potential to generate 960 full time equivalent jobs in the construction sector.

Residential development

Further to the new employment floorspace created by this programme, there will be a number of sites suitable for residential development. Initial estimates suggest these could support 4,000 new homes and an additional population of over 6,000.

Net Additional Gross Value

The jobs and new floorspace figures delivered through this investment will have a positive impact on GVA in the Masterplan and LEP areas.

This means that total GVA will be £1.4bn for the whole investment period.

Wider economic impacts

Jobs and floorspace are not the only benefits to be delivered through this programme as it will result in other economic benefits and uplifts. How these will be measured and value captured needs to be considered at a regional and sub-regional level. The wider impact will include:

Social - With the potential for such large job creation there is a real opportunity to tackle the wider issue of unemployment and worklessness across the city. There are areas of high deprivation close to the Curzon area, and beyond, that could benefit from the regeneration benefits associated

Use	Floorspace sqm (retail, office and community - NIA, all others - GIA)
Retail	85,220
Office	356,520
Community	70,200
Leisure	22,950
Hotel	58,190
Employment	106,930
Residential	283,730
Total	983,740

Table 5 Floorspace created - by sectors

with this programme. Improved infrastructure will make accessing this area easier and improve connections with the City Centre employment opportunities.

Through the EZ's existing £1.8m programme for improving skills and training, there will be greater opportunities to upskill people to give them better opportunities for accessing jobs. New housing will also bring social benefits through the supporting infrastructure of schools, parks, community and health facilities which will create sustainable neighbourhoods that are attractive places to live.

Environmental - Through the regeneration of so much vacant or under-utilised land the associated environmental benefits for the area will be significant. Major public realm schemes that will include new open space will make living and working in the area both attractive and sustainable.

Digital - Infrastructure of this scale requires the latest digital connectivity to meet the needs of businesses, shoppers and residents. Working with the 'Birmingham Smart City' initiative, the future digital requirements of all new commercial and residential development will be factored in from the outset.



View from Eastside City Park looking towards Eastside concourse

Governance

The launch of the Curzon Masterplan and the subsequent work to progress the extension of the EZ has provided a framework for the regeneration and growth to be delivered through this investment programme.

Delivering this will now require strong leadership and clear governance to direct resources for maximum benefit. The scale and complexity of the programme; which involves the delivery of the infrastructure and the surrounding regeneration, requires a clear management and governance structure and a dedicated team.

Regional Governance

The Curzon Investment Programme is set within the context of the Midlands HS2 Growth Strategy, which sets the framework for maximising the benefits of HS2 at a regional level. This ambitious strategy is supported by its own governance structure and the Curzon governance will work closely to align its programme with the overall objectives. Figure 1 sets out the HS2 regional governance.

Curzon Regeneration Company

The Shadow Board was set up in July 2014 with Liz Peace CBE as Chair. Over the last 2 years it has worked to set the overall vision for the masterplan area and to progress the delivery model. It has been a successful partnership between Birmingham City Council, the GBSLEP, HS2 Ltd., Centro (now TfWM) and Government. It has successfully demonstrated how HS2 can be a catalyst for much greater growth than a single piece of transport infrastructure.

The board has been integral to securing the extension of the EZ and obtaining assurances from Government to deliver a world class station, which would otherwise have not been achieved.

With the launch of the Investment Plan the Shadow Board will now

evolve into the Curzon Delivery Board. The Delivery Board will be a formal partnership and provide both the direction and focus for the delivery of the Curzon Investment Plan.

Purpose

The principle responsibilities of the Board are as follows:

- To provide strategic leadership in the implementation of the Curzon programme, owning the formulation of the Investment Plan and its subsequent delivery.
- Identify and have an understanding of the principal risks associated with the implementation of the Curzon programme and ensure that appropriate systems are in place which effectively monitor and manage those risks.

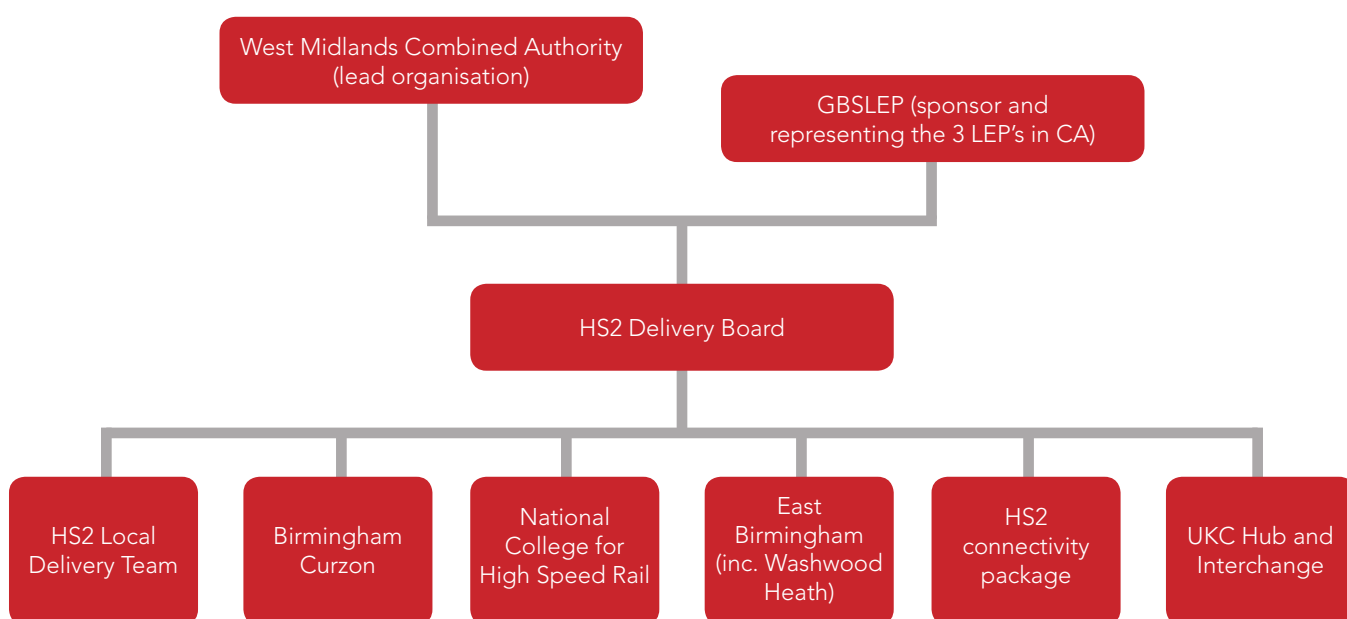


Figure 1 HS2 Governance

- Ensure that the necessary structures and resources are in place to enable the delivery of the Investment Plan and to monitor and measure performance against the strategic outputs. This will include providing strategic leadership and overseeing the Curzon Delivery Team and subsequent working groups where necessary.
- Report on a quarterly basis to the HS2 Delivery Board on progress in the implementation of the Investment Plan.
- Ensure a communications programme is in place which effectively communicates with government authorities, GBSLEP, West Midlands Combined Authority, HS2 Delivery Board, other stakeholders and the public.
- Considers business cases, developed in line with the Investment Plan, and recommend them for approval by the EZ Executive Board.

Delegations

The Board will be delegated authority from the HS2 Delivery Board to lead the implementation of the Curzon Programme and develop projects for consideration by the EZ Executive Board for approval of full business cases for EZ funding and BCC Cabinet approval as an Accountable Body.

Membership

The membership will consist of the following senior representatives:

- An independent chair.
- Two from BCC Economy Directorate.

- One Senior from TfWM.
- One Senior from HS2 Ltd.
- GBSLEP EZ Executive Board chair.
- One from the HCA.
- The Chair of the local partnership board.
- Three non-executive members, including one senior representative from Government, and two to provide independent investment and development position.

Representatives from other organisations to be confirmed as central to supporting the delivery of the programme.

Voting

Responsibility for decision making will be taken by Executive Members of the Board with a quorum of four plus chair.

Operational matters

Meetings will be held on a 6 weekly basis with minutes and actions circulated no later than 2 weeks from date of the meeting.

Substitutes from organisations with an appropriate level of seniority can be delegated to attend in the absence of main board members.

The Board will fulfil its function for the duration of the delivery of the Investment Plan and will be reviewed on a regular basis as to its membership, function and operational role.

The Board will focus on strategic matters that affect the delivery of the recognised benefits and

delegate day to day operation and activity to the Curzon Delivery Team in conjunction with partners. Separate terms of reference for sub-boards and working groups will be established as appropriate.

The Board will be supported in its function by the Curzon Delivery Team.

Declaration of interests

Members of the Board must disclose any personal or pecuniary interests they have in any matter to be discussed at that meeting.

Local Partnership Board

The focus on delivery also presents an opportunity to create a collaborative approach with local partners. With much of the programme's focus on the area surrounding the station there is a need to have ongoing engagement with local stakeholders.

Securing the benefits of this programme will require close working with major landowners and businesses, who have been working to regenerate this area for a number of years. The governance will engage with these stakeholders, who have been working to deliver change through their own understanding of the area's unique character.

Local representation from within the investment area includes the universities, major landowners and other agencies.

The first opportunity for all partners to come together will be at the 'Curzon Symposium' due to take place in Autumn 2016.

Curzon Delivery Team

The Curzon Delivery Board will be supported in its work by a dedicated delivery team, which has responsibility for the day to day management and co-ordination of the programme. It will require a lead officer of sufficient seniority (Assistant Director) to provide clear leadership and direction, who will also need to be a member of the Delivery Board and be supported by a Programme Manager in reporting to the Board on progress, risks and actions. Figure 2 sets out the Curzon Delivery Team structure. The Delivery Team will sit within the City Council's Economy Directorate Planning and Regeneration function.

Through the Working Groups, the Delivery Team will work with partners to develop business cases that will form the basis of funding proposals that will draw down funding. The Delivery Team will pull together detailed guidance and supporting documentation for the project development process as per the EZ Governance and financial management arrangements, including the City Council's governance arrangements.

Working groups

The Investment Plan comprises a number of themes that will ultimately deliver the regeneration benefits. The HS2 Station and Metro extension schemes are large scale transformational projects that will have their own programmes and governance. To ensure the benefits are maximised the Delivery Team will work closely with their structures to align programmes and projects. This is especially important for the station, where much of the associated works, such as Paternoster Place, are reliant on its delivery programme.

The Strategic Sites, Social Infrastructure and Local Transport and Connectivity themes will be driven by the City Council. The Delivery Team will establish and co-ordinate working groups for these activities, whose first task will be to develop a detailed investment programme for phase 1.

Design Review Panel

The delivery of a world class arrival point in the centre of Birmingham is the focal point for the regeneration programme. The station and surrounding public realm will need to be appropriately designed to integrate seamlessly with the City Centre. To ensure this is achieved an independent Design Review Panel has been set up. With 6 expert members, the panel will meet to consider the options for the HS2 Station design projects as the preferred options are developed. It will be serviced and resourced by HS2 Ltd and meetings for the next 12 months will be programmed from May 2016.

Enterprise Zone Governance

The Investment Plan, forms part of the EZ's financial model, which raises the resources to deliver the majority of the programme, which in turn delivers the increased business rates, which pays for the investment. A strategic relationship between the Curzon Delivery Board and the EZ Executive Board is important to ensure financial accountability and transparency. The EZ board will still be responsible for approving all EZ expenditure associated with this Investment Plan, alongside relevant approvals from the accountable body.

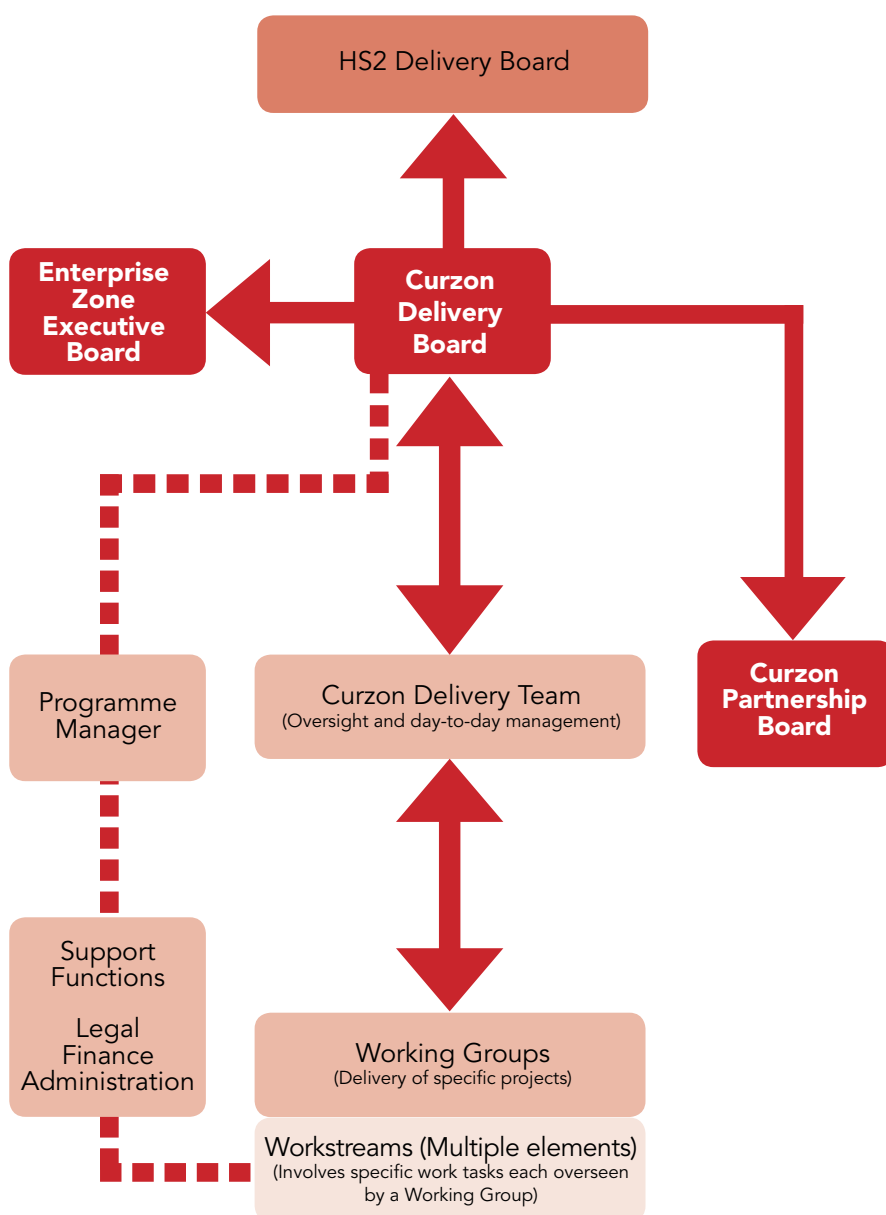


Figure 2 Localised governance structure

Accountable body

Birmingham City Council is the Accountable Body for the GBSLEP and as such provides the same function for the EZ. The inter-dependent relationship between the financial strategy and funding for the extended EZ, requires that the obligations of the Accountable Body and its processes be extended through this Investment Plan.

A key consideration in delivering this programme will be the availability of income from the up-lift in business rates needed to support project delivery. Strict financial management principles will be adopted by the City Council to ensure investment decisions are supported by the required level of business rate income needed to meet the borrowing costs. The Investment Plan is phased accordingly to ensure that projects are brought forward in line with the income levels proposed in the EZ's financial forecasts, which will be continuously updated to reflect the most up to date position with business rates coming forward.

In addition to the financial, monitoring and risk management processes set out in this section, all relevant activity will be subject to the City Council's gateway approval process. This requires the development of projects to be internally scrutinised and approved by the responsible executive decision maker, which will be a responsibility of the Curzon Delivery Team.

As the Accountable Body, the City Council will administer the collection of business rates above the baseline and maintain these in a separate account for the EZ. Further responsibilities include the treasury management function for the EZ, overseeing the administration of legal agreements, contracts, procurement and grant conditions to safeguard the City Council and the GBSLEP. This along with the role of the EZ Board is set out in the EZ Governance and Financial Strategy.

Monitoring

The programme will be closely monitored over its lifetime with regards to the realisation of economic benefits and this will be regularly reported to the Curzon Delivery Board, EZ and Accountable Body. The Investment Plan will also be updated every 2-3 years, which will take into account different scenarios for the level of business rates being generated and their impact on the programme.

Commissioning

The Curzon Masterplan has set out a number of interventions, which have been developed in more detail through the subsequent baseline and modelling work. It's anticipated that much of this investment will be commissioned, as it has already been agreed as necessary for delivering the overall vision.

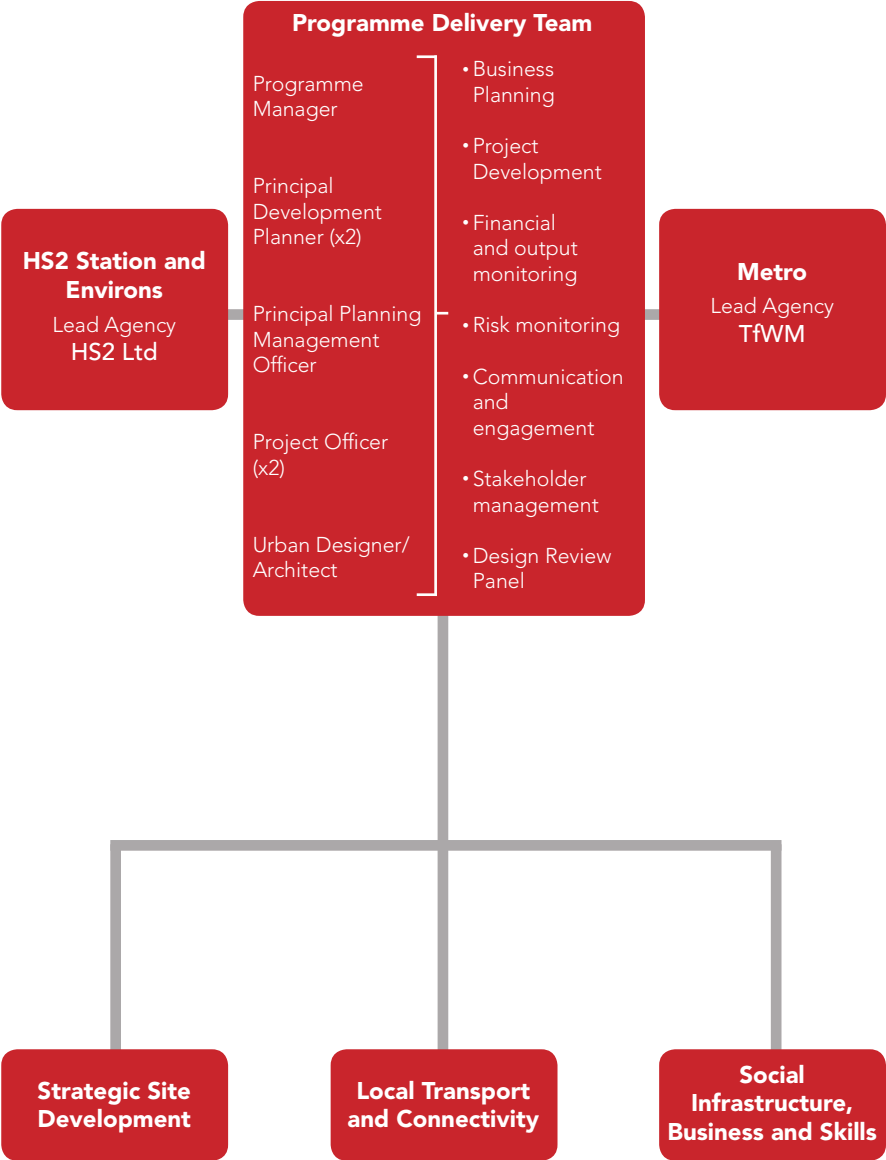


Figure 3 Curzon Delivery Team

Funding applications

Applications will be made using the existing EZ paperwork and guidance, which will be appraised by the Delivery Team and a recommendation made to the Curzon Board and then the EZ Executive and the Council as Accountable Body for approval. The appraisal of applications will assess State Aid implications and procurement issues.

Once approved all projects will be subject to a funding agreement between the City Council, as Accountable Body, and the applicant. Regular monitoring will be required and carried out by the Delivery Team and reported accordingly.

Procurement

The delivery of major infrastructure projects requires extensive up front work to determine the feasibility and viability for delivery. Procuring these works needs to be compliant and transparent, but also flexible and responsive to maximise the use of resources and minimise delays.

As outlined above, the process for commissioning or applying for EZ funding can release up front funding to develop detailed proposals.

A project development budget forming part of the capital programmes as well as a more general feasibility budget for revenue schemes, is allocated from within the Delivery Team's budget. Wherever possible the use of existing procurement frameworks will be explored for efficiency and value for money. Where this isn't possible procurement through portals such as Findit in Birmingham will be utilised. The approach will be to develop programmes of work for delivery.

Risk Register

The programme will take a robust approach to monitoring and managing risks in line with the matrix in Figure 4. Being part of the EZ means many of the measures to mitigate common risk are already in place, including the financial strategy and governance arrangements which ensure sound investment decisions are made and the required outcomes are delivered.

Delivery

The focus for this Investment Plan and the governance is ultimately to ensure that HS2 acts as a catalyst for growth and local commitments are in place to enable this.

The programme will take an innovative approach to delivery and will look at a range of models, including joint venture arrangements, that maximise private sector support and minimise the use of public sector resources.

All partners are focussed on ensuring the growth potential is realised with this Investment Plan the first key step.

Waheed Nazir

Strategic Director, Economy
Birmingham City Council

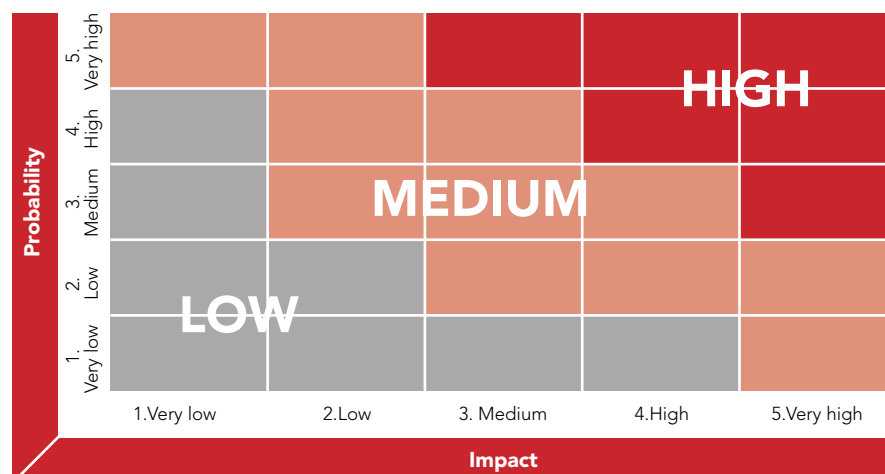


Figure 4 Risk matrix



Appendix 1

Curzon programme 2016-17

ACTION	Q1	Q2	Q3	Q4	OWNER	OTHER
Curzon Governance						
GBSLEP approve Investment Plan					BCC	BCC
BCC approve Investment Plan					BCC	BCC
Curzon Delivery Board meetings					BCC	BCC
Agree resources and advertise Delivery Team posts					BCC	BCC
Appoint Delivery Team posts					BCC	BCC
Agree communication strategy					BCC	BCC
Curzon Symposium					HS2	HS2
Station						
Station DRP					HS2	HS2
Station design competition commences					HS2	HS2
Royal Assent granted					C.Govt	C.Govt
Paternoster Place						
Preferred option completed					HS2 Ltd	HS2 Ltd
DRP					HS2 Ltd	HS2 Ltd
Final option agreed by HS2 Delivery Board					HS2 Ltd	HS2 Ltd
Development agreement					HS2 Ltd	HS2 Ltd
Agree strategy for additional land requirements					BCC	BCC
Moor Street Queensway						
Finalise brief and procure engineering principles					BCC	BCC
Complete study					BCC	BCC
Consult and agree preferred option					BCC	BCC
Progress preferred option to preliminary design					BCC	BCC
New Canal Street						
Heads of terms for development agreement					HS2	HS2
Development agreement negotiated						
Finalise work packages and costs					HS2 Ltd	HS2 Ltd
FBC for additional resources					BCC	BCC
Metro Extension						
TWA submission					TfWM	TfWM
Outline design, construction and planning					TfWM	TfWM

ACTION	Q1	Q2	Q3	Q4	OWNER	OTHER
Local Transport Improvements						
Prioritise transport projects					BCC	BCC
Agree resources to develop PDDs					BCC	BCC
Procure preliminary design studies					BCC	BCC
Unlocking Sites						
Prepare brief for masterplanning work					BCC	HS2
Procure and complete masterplanning					BCC	HS2
Complete Conservation Review					BCC	C.Govt
Agree and implement delivery strategy for Curzon Building					BCC	HS2 Ltd/BCU
Review Knowledge Hub proposals funding opportunity					BCU	BCC
Connecting economic opportunities						
Develop programme of early wins					BCC	



Equality Analysis

Birmingham City Council Analysis Report

EA Name	City Centre Enterprise Zone - Curzon Investment Plan And EZ Governance And Financial Management Framework
Directorate	Economy
Service Area	P&R Planning And Development
Type	New/Proposed Policy
EA Summary	Assess the equality implications for the Curzon Investment Plan and EZ Governance and Financial Management Framework
Reference Number	EA001288
Task Group Manager	James.Betjemann@birmingham.gov.uk
Task Group Member	
Date Approved	2016-08-31 01:00:00 +0100
Senior Officer	Richard.Cowell@birmingham.gov.uk
Quality Control Officer	Richard.Woodland@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Overall Purpose

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Policy.

2 Overall Purpose

2.1 What the Activity is for

What is the purpose of this Policy and expected outcomes?	To approve a revised Curzon Investment Plan with an allocation of 275 million to support the delivery of the Enterprise Zone in the City Centre. To stimulate development, respond to the needs of the private sector and to create long term economic growth.
---	--

For each strategy, please decide whether it is going to be significantly aided by the Function.

Public Service Excellence	No
A Fair City	No
A Prosperous City	Yes
A Democratic City	No

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes
Will the policy have an impact on employees?	No
Will the policy have an impact on wider community?	No

2.3 Analysis on Initial Assessment

Enterprise Zones are areas which through a combination of financial incentives (retention of business rate uplift) and reduced planning restrictions, will encourage private sector growth and generate jobs.

The Curzon Investment Plan sets out proposals that amount to 511 million of investment between 2016/17 to 2037/38, and forms part of the delivery of the Enterprise Zone initiative and as such will help secure the delivery of the objectives and contribute to the positive impacts. Individual project have and will continue to be subject to equality analysis.

It's expected that a number of economic benefits will be delivered over the life of the programme;

36,000 jobs

600,000sqm of commercial floorspace

4000 new homes

1.7bn of private sector investment

The Equalities Analysis on the original and extended Investment Plan concluded that the Enterprise Zone is expected to lead to a positive effects on equality considerations through the promotion of economic activity, job creation and improving skills that will benefit local people.

Through the work of the City's Employment and Skills service, it will assist the programme to ensure employment and skills investment benefits are passed on to residents from priority neighbourhoods. The work will focus profiling job opportunities at the earliest opportunity, working with partners to improve skills, job matching and interview support.

The programme will be subject to ongoing monitoring and evaluation to ensure any equality issues that come up post implementation are addressed / reviewed.

3 Concluding Statement on Full Assessment

In overall terms the Enterprise Zone 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 Enterprise Zone will advance equality of opportunity as a result of its promotion of development and regeneration activity. Since the original Investment Plan was approved in 2012, no equality issues have been raised on the broad approach taken.

4 Review Date

28/07/16

5 Action Plan

There are no relevant issues, so no action plans are currently required.

Appendix 3

	EZ Investment Plan (2014)			Curzon Investment Plan			Metro Extension (Adderley Street to HS2 Interchange, Solihull)		
	Capital (£M)	Revenue (£M)		Capital (£M)	Revenue (£M)		Capital (£M)	Revenue (£M)	Total
Original EZ Approved	228.0	17.0		30.0	0.0		0.0	0.0	258.0
Extended EZ	0.0	0.0		485.3	71.5		183.3	0.0	668.6
Original and Extended EZ Sub total	228.0	17.0		515.3	71.5		183.3	0.0	1015.1
West Midlands Combined Authority	0.0	0.0		137.2	0.0		0.0	0.0	137.2
Totals	245.0			724.0			183.3		1152.3

Note:

The capital and revenue figures above are the proposed Investment Plan, excluding the revenue costs of finance (interest and MRP).



Greater Birmingham and Solihull LEP Birmingham City Centre Enterprise Zone Governance and financial strategy

September 2016

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Birmingham City Council

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2 Introduction

The Birmingham City Centre Enterprise Zone was founded in 2011 to encourage business growth, investment and the creation of jobs. It will provide uplift in business rate income which the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) can use to invest in further EZ projects and wider economic priorities.

The original City Centre EZ comprises 26 sites across the city centre, in seven clusters including those identified in the Big City Plan - the city's strategic vision for the future of the City Centre - as offering the greatest opportunities for growth.

Investment totalling £275m is planned for these sites up until March 2023, as set out in the EZ Investment Plan (EZIP 2014). As part of this £275m, the EZIP also includes £50m for projects outside the city centre.

In 2015 the government approved an extension of the EZ to include the Curzon Masterplan Area. The extension comprises 13 further sites across the Curzon/High Speed 2 growth area. The extended EZ now covers an area of 113.5ha and the time period for the retention of business rate growth for the whole EZ has been extended to 31st March 2046. A separate Investment Plan has been produced for the Curzon area which allocates £556.8m of EZ resources to maximising the economic impact of HS2 across the Curzon area. A further £183m of EZ resources are ringfenced for the East Birmingham North Solihull Midland Metro Extension.

Over its lifetime the Birmingham City Centre EZ, including the Curzon extension, will have invested over £900m for capital infrastructure, delivered 2.3m sq.m of new floorspace, created over 76,000 new jobs, contributed nearly £4bn to the economy in GVA per annum and generated in excess of £2bn in additional business rates.

In order to manage the new extended EZ an updated financial model and strategy is required, as well as a strong governance framework by which the EZ and its investment decisions will be managed. The governance framework sets out the structure and hierarchy of decisions that will be required by the various boards governing investment and decision making. The financial strategy provides the parameters by which the EZ will be financially managed. It reflects both expected business rates income (revenue) and expenditure associated with the delivery of the investment programmes. The strategy is complemented by a set of financial principles which govern its management.

**KEY**

EZ sites



Curzon extension sites

**NORTH**

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The Birmingham City Centre Enterprise Zone

Governance framework

Purpose of the Governance Framework

The first part of this document sets out the governance framework for the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) in respect of the Enterprise Zone (EZ). This governance regime will facilitate better decision making and assist in the effective use of and stewardship of finite resources.

The document provides a framework within which the GBSLEP approves and monitors the programme of projects, which have been confirmed for funding allocation in the Enterprise Zone Investment Plan (EZIP) (2014) and the Curzon Investment Plan (EZCIP) (2016).

The document is to be used by the GBSLEP and Birmingham City Council (BCC) when approving funding requests and monitoring project progress. This includes consideration of any business rates uplift and how investment of EZ funding is managed.

Roles and responsibilities

Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Board

The GBSLEP Board takes overall responsibility for the delivery of the EZ investment plans. It does this by setting an overarching investment strategy and ensuring that there are clear governance, management and delivery arrangements in place.

Specifically the Board will ensure that:

- There is an approved Investment Plan (2014) in place for the period up to 2022/2023 that will help unlock sites for development and enable the delivery of growth, jobs and uplift in business rates.
- There is an approved Investment Plan for the Curzon area (2016) in place for the period up to 2037/38 that will maximise the economic impact of HS2, unlock sites for development and enable the delivery of growth, jobs and uplift in business rates.

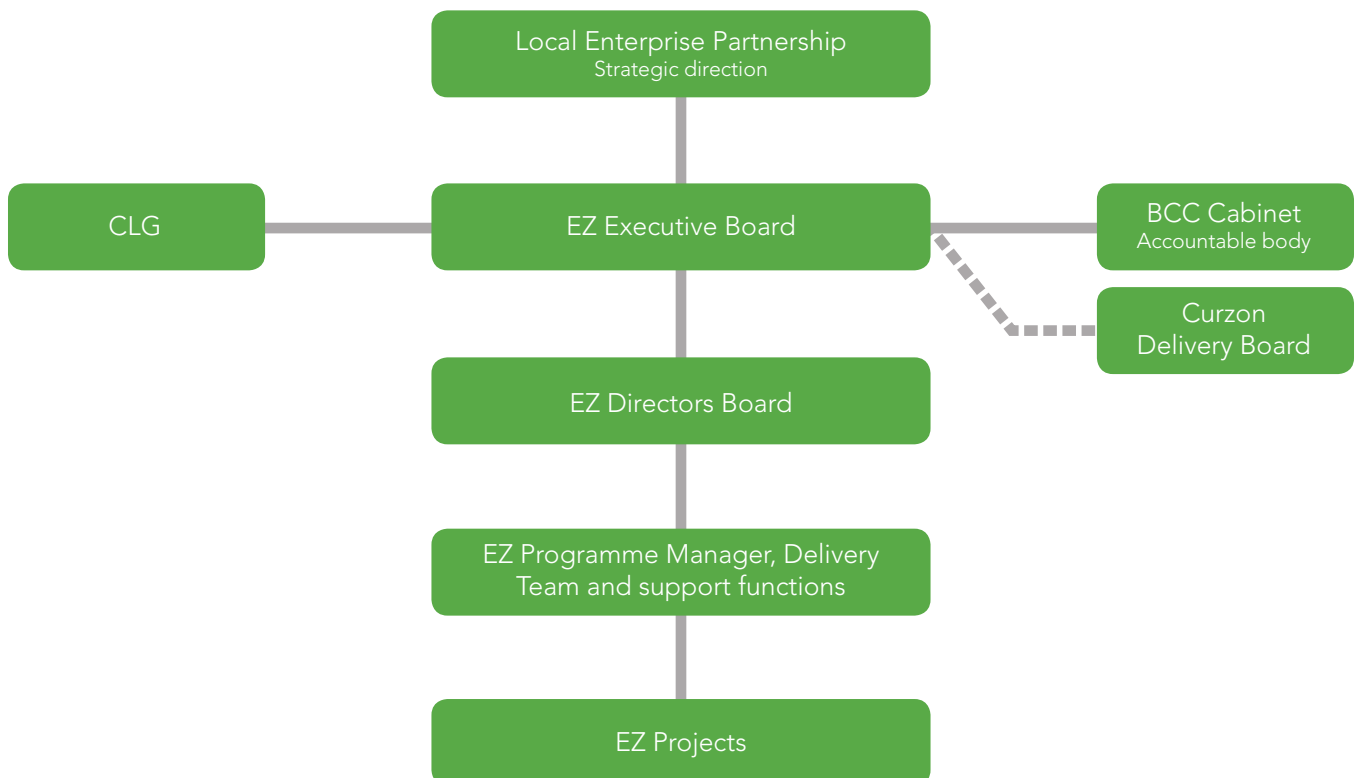


Figure 1 Enterprise Zone Governance Structure

- It receives and considers regular reports (from the EZ Executive Board (EZ/EB) on the financial position and performance of the Investment Plans.
- It nominates a Board Member to be the 'EZ Champion' for GBSLEP. The EZ Champion will keep the LEP Board informed of progress on a regular basis and will escalate any significant risks and issues related to the delivery of the Investment Plan(s) as recommended by the EZEB.

Birmingham City Council as the Accountable Body

Management and redistribution of the business rate growth from the EZ requires a single statutory body from the GBSLEP Partnership to take on the role of 'Accountable Body'. This Body must be a legal entity, nominated to act on behalf of the GBSLEP for the receipt and investment of business rate growth and uplift within the EZ designation. Birmingham City Council (BCC) accepted this role in respect of the Birmingham City Centre EZ with BCC Cabinet approval on 30 July 2012.

BCC as the Accountable Body is obliged to manage any investments and their financing.

Enterprise Zone Executive Board (EZEB)

The EZEB is made up of members and officers from GBSLEP and BCC. Both GBSLEP and BCC are decision makers, on the basis of strategic ownership (GBSLEP) and Accountable Body (BCC). It is an appropriately constituted decision making board for which evidence is provided through minutes, quorum and declarations of interest to support its decision making procedures.

The board meets every 6-8 weeks or by exception if required.

The EZEB has powers delegated from the GBSLEP to approve projects and will make decisions on the priority order for the additional pipeline projects, allocated in the 2014 EZIP and the 2016 Curzon EZIP. The EZEB will oversee delivery and implementation of the Investment Plans, the associated Governance Strategy and EZ project performance reporting.

The GBSLEP will be represented on the EZEB by at least two nominated GBSLEP Board Directors with one acting as Chair and 'EZ Champion'. A further GBSLEP officer will also be represented on the Board. These are voting roles with the chairperson having the casting vote.

BCC will be represented on the EZEB by a maximum of 3 senior officers who have overall responsibility for the day to day delivery of the EZ Investment Plan. These are voting roles.

The quorum for the meeting is 2 from GBSLEP and 1 from BCC.

This representation of officers will be added to from other LEP's and local authority partners based on a commensurate basis to be agreed if investment in undertaken outside of the City Centre EZ boundaries.

Specifically the EZEB will oversee that:

- The Investment Strategy/Plans are delivered in accordance with agreed milestones and targets.
- Regular reports are received on the Governance Strategy including performance against the Financial Plan and key risks or issues with implementation.

- Monitoring arrangements are in place that allow a review of performance of Delivery/ Implementation Strategy including on both quantitative and qualitative aspects of performance.
- Key issues and risks are either addressed or escalated to the LEP Board.
- It approves/rejects/makes recommendations on applications for funding from the Enterprise Zone in accordance with the existing 2014 EZIP and the 2016 Curzon IP.
- A financial limit on the financial model for EZ funding purposes is set.
- Any decision made by EZEB in the knowledge that the decision does not compromise compliance with BCC's own Financial Regulations and any financial decisions that BCC as the Accountable Body may require. Variations to projects submitted for a funding request (for example spend profile, amount awarded) may be set out in the funding agreement or in the conditions of any decision is given by the EZEB.
- Monitoring arrangements and subsequent performance reports are adequate and appropriate, considering both quantitative and qualitative aspects of project performance and programme delivery.
- Appropriate resources are available to manage the EZ and enable delivery of the Investment Plans.

EZ Directors' Board (EZDB)

A separate Directors' Board has been established in order to provide coordinated management of the EZ, linked to the provision of resources and wider project delivery. It is Chaired by BCC's nominated officer and includes representation from senior level BCC officers responsible for delivering the EZEB approved projects through their teams and officer from GBSLEP. The approved projects will be managed and monitored through the Directors Board, with regular reporting to the EZEB as required.

When EZ funding becomes available for other GBSLEP projects outside the Birmingham City Centre EZ then the Local Authorities affected will form their own EZDB (or use an equivalent existing structure such as the Growth Team, if appropriate) with the GBSLEP for decision making in their locality. BCC, as the Accountable Body, should also have a role on any board to ensure that all investments are in accordance with the EZ financial model and to discharge accountable body functions.

The quorum for the meeting is 3, in addition to the Chair. The Chairperson will have the casting vote.

Specifically the Director's Board will oversee that:

- The Investment Plans are effectively implemented in terms of delivery and resource.
- Regular reports are received on the financial position and performance of the Investment Plans.
- Any key issues on EZ project delivery are either addressed and/or escalated to the EZEB.
- It manages the EZ financial position in accordance with the EZ financial management principles.
- It endorses and/or rejects applications for funding for the use of EZ Resources based on the relevant defined EZ Investment Plans. Recommendations to approve or reject an application are then made to the EZEB.

- Key issues and risks are either managed or escalated to the EZEB.

GBSLEP approval process

The EZEB and EZDB will work on behalf of the GBSLEP Board and ensure that the release of EZ funds for projects contained within the Investment Plans are authorised through an approved process which aligns to the stages in BCC governance process.

In order to gain EZEB approval project sponsors are required to complete:

- Either: An EZ project Development Application form.

Or: An EZ project Full Application Form (with associated Annex) (Which application is required is dependent on the stage of the project, a flow chart and guidance notes are provided with the application process).

Applicant approval process

Following the granting of approval from GBSLEP, scheme promoters will be required to seek full approval through their own governance process.

Once this has been authorised a funding agreement can be entered into.

EZ Delivery Team

Enterprise Zone Programme Manager

The EZ Programme Manager will oversee the general management of the EZ and any programme of projects within the approved allocation of EZ funding.

The EZ Programme Manager will receive financial and delivery information as part of regular monitoring reports from each project manager. The information contained in these reports will support financial management and performance.



Eastside development

The Project Manager reports will include:

- Overall financial progress for the month, quarter and year.
- Project update.
- Overall position on key milestones.
- Milestones and actions for the next three months.
- Key risks and issues.
- Any decisions required by the Board.

Programme management decisions will be designed to maximise the benefits of and minimise the impact of risk to the EZ, and to ensure that the per annum allocation can be spent and the key outputs delivered.

EZ project managers who are BCC officers are required to adhere to a guidance note entitled 'Birmingham City Council Accountability Responsibilities for Enterprise Zone Funded Projects'.

All EZ project managers (BCC and non-BCC) will be required to adhere to a Performance Management Framework, which is provided as a separate document.



103 Colmore Row

Financial strategy

The Financial Strategy for the EZ is predicated on a Programme which contains projections for major capital investment, revenue project support and the capital financing implications arising from debt repayment and also projections for an uplift in Business Rate income across the Programme's lifetime.

Key to this strategy is the development of a detailed financial model which is updated on a monthly basis. The detailed financial model for the EZ has been updated to include the extended geography for the Curzon area and extended programme timeframe through to 2045/46. It reflects both expected business rates income (revenue) and expenditure associated with the delivery of the investment programmes. The strategy is complemented by a set of financial principles which govern its management.

Financial principles

High level risks associated with the management of EZ resources have been identified, and modelled out through sensitivity testing. The assumed level of business rates income for the EZ is highly sensitive to anticipated levels of development activity especially if developments fail to materialise in line with projections. Similarly, increased project costs or increases in interest rates on the cost of borrowing would be detrimental to affordability and impact on the overall programme. As such, robust principles for financial and project management are required.

The capital investment set out in the 2014 EZIP and 2016 EZCIP will be funded through Local Authority Prudential Borrowing. The financial implications of this borrowing, as well as the costs of administering the EZ, and other revenue based projects, will be funded through the revenue income stream generated through the additional 'uplift' in business rates.

Within the EZ, where capital expenditure is to be financed, Birmingham City Council (BCC) as the Accountable Body, will facilitate the borrowing. BCC will calculate the borrowing costs using its existing arrangements for recharging costs (i.e. interest and the statutory requirements for debt repayment). These borrowing costs will be funded from EZ revenue

resources generated from the additional business rates.

To ensure that the financial management of the EZ is robust, and that projected expenditure including borrowing and other revenue based programme expenditure is affordable, a series of financial principles have been developed:



Paradise development

1. Income safety margins

For reasons of affordability, particularly during the early years of EZ, only a prudent proportion of net business rate income will be taken into account in determining expenditure commitments, including borrowing and operating costs. The intention is to provide a safety margin due to the risk of business rate income not matching the profiled income levels contained in the financial model.

In order to ensure that there are sufficient reserves to meet short term falls in income or increased costs, a sum equivalent to 15% of the annual EZ income will be set aside on a cumulative basis to meet uncertainties. Having already allowed for 15% contingency sum based on the amount of anticipated Business Rate income as a financial principle 'test', financial commitments through borrowing will be monitored to ensure they are no greater than 65% of the Business Rates income anticipated in any given year, effectively 65% of 85% Business Rates. New investment decisions will need to 'Pass' before approval will be sanctioned. A test 'Fail' will require a financial risk review to determine the precise impact and risk on overall affordability of the proposed project, acknowledging contingency sums held on account, before approval is awarded. Once EZ business rate income levels start to materialise in line with their forecasts, then consideration will be given to releasing the surplus reserve generated from the application of this approach to support further LEP investment proposals. On-going management of the EZ will continually review the cumulative contingency sum held

with any decision to release such funding to fund new investment being done so only with the BCC's Director of Finance's approval.

2. Borrowing repaid within life of the Enterprise Zone

Following the extension of the EZ funding term, the business rates income stream will now cease after 31st March 2046 (previously by 31st March 2038). This allows for new borrowing on the existing EZ sites to have their borrowing extended to 2045/46. All associated borrowing must therefore be repaid within this EZ term. The later capital expenditure is incurred in the programme the lesser the repayment term for borrowing. Capital projects commencing in 2016/17 of the Programme will be borrowed using an annuity which allows the capital sum borrowed to be repaid over a 30 year term, whilst projects commencing in 2017/18 will effectively be borrowed and repaid over a 29 year term and so on.

This means that capital intensive investments which are approved and borrowed over a longer time frame will have a smaller annual repayment sum and therefore less financial impact in terms of affordability against the annual EZ Programme than if they were undertaken over a shorter period (i.e. the longer the borrowing term the smaller the annuity charge to the revenue account). On-going monitoring of the EZ Programme resources and the financial implications resulting from approved projects in the investment programme will provide a valuable tool against which an assessment can be made as to the

level of future capital investments that the EZ can support in later Investment Plan periods. All EZ investment decisions are considered and only endorsed by the Accountable Body/EZ Boards subject to them being affordable.

3. Utilising Assets under Construction Policy

In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) who regulate Local Authority accounting guidelines.

Local Authorities can roll up interest charges for assets under construction. For infrastructure and other capital projects this offers the advantage to smooth out cost and income cashflows so that income from business rates arises in the same financial period as the revenue costs of the project which BCC has to account for.

4. Site-by-site and infrastructure business cases as well as LEP-wide business cases

Proposed expenditure commitments for individual developments will be financially appraised against the expected business rates impact arising from that development through individual business cases. Proposed commitments will also be financially appraised in a LEP-wide appraisal to ensure the proposal is affordable for the EZ or LEP as a whole on a year by year basis, including reporting on the financial tests in section 1 above. Where wider infrastructure investments are being proposed individual/programme based business cases will be required.

5. Financial commitments aligned to development commitments

For EZ developments and wherever feasible, financial commitments will only be made following legal agreement with the developer/landowner once development projects have been committed to. This will provide assurance that the business rates income stream is reasonably secure.

6. Prudential borrowing

In borrowing for EZ funded projects, BCC is subject to legal constraints and statutory guidance in relation to the borrowing. This includes compliance with the Authority's accounting and debt repayment policies. BCC will consider the financial implications of any LEP EZ proposals, as part of its overall budget (for example, in setting its Prudential Borrowing indicators and limits) and in complying with the CIPFA Prudential Code.

7. Income provided to support wider LEP Investments

Whilst BCC will support and fund approved EZ investment decisions made by the LEP, both BCC and other Local Authority partners will ultimately be responsible for their own projects, associated cost control and other financial risks. In the event that project costs exceed those approved by the LEP, then any additional costs incurred or to be incurred above those supported through the EZ income will become the financial responsibility of the delivery partner and not the EZ or Birmingham City Council in its Accountable Body role. This is particularly relevant for the LEP Investment Fund and HS2 Growth Strategy investments which could fund projects outside of the EZ area and which would not be sponsored or directly project managed by Birmingham City Council.

8. Management and monitoring of resources

The delivery of the Investment Programmes will depend on having robust processes in place to manage and monitor income and expenditure for the EZ. This will be undertaken as part of the regular reporting to the LEP through the Governance arrangements to provide ongoing updates to the financial model and to ensure risks to delivery are highlighted.

Whilst the LEP approves individual capital investment and revenue proposals for EZ support, the Accountable Body will ultimately endorse these projects going forward subject to the viability of the investment proposal in terms of overall affordability based on the future availability of secured business rate income. All projects to deliver the EZ are subject to BCC Governance structures. This requires a Project Definition Document (PDD) for approval to authorise project development and feasibility. Once PDD approval has been reached, activity can

commence to formulate Full Business Case to authorise the release of funds and formal project approval. Consequently it may be necessary for BCC, in its Accountable Body role:

- a) To seek a re-profiling of proposed expenditure levels so that they accord with available resources, or;
- b) To defer endorsing projects for EZ funding until such time that there is sufficient secured levels of business rate income in place which ensure affordability.

Income

The delivery of new business accommodation on EZ sites is expected to result in a significant increase in business rates income for the LEP to invest. The phasing and delivery of new developments, and consequently the business rates uplift, has been projected in the updated financial model. The business rates uplift income will be retained locally until 31 March 2046.



Masshouse

The business rates income from the combined EZ, including the expanded area to cover Curzon, will fund both the original £275m investment programme (capital and revenue projects) and the additional £740m Curzon investment (£669m capital and £71.6m revenue projects). This includes the £183m for East Birmingham North Solihull Metro Extension.

The Curzon Area extension to the EZ is anticipated to generate £1.1bn over the lifetime of the Programme. This is in addition to the £1.5bn from the existing EZ Programme providing a total projected £2.6bn over the lifetime of the EZ. These figures are anticipated levels based upon current projections but are subject to future market and economic conditions. As such robust financial management principles are required to manage risk and affordability.

The income has been categorised by its degree of certainty, linked

to the proposed phasing of the development (including losses of business rates income as sites are demolished and cleared for future investment), to allow for prudence around making decisions on the affordability of future investment decisions and the associated costs arising from prudential borrowing charges. The income is analysed according to the following categories, which help to ensure decisions on the investment programme are affordable:

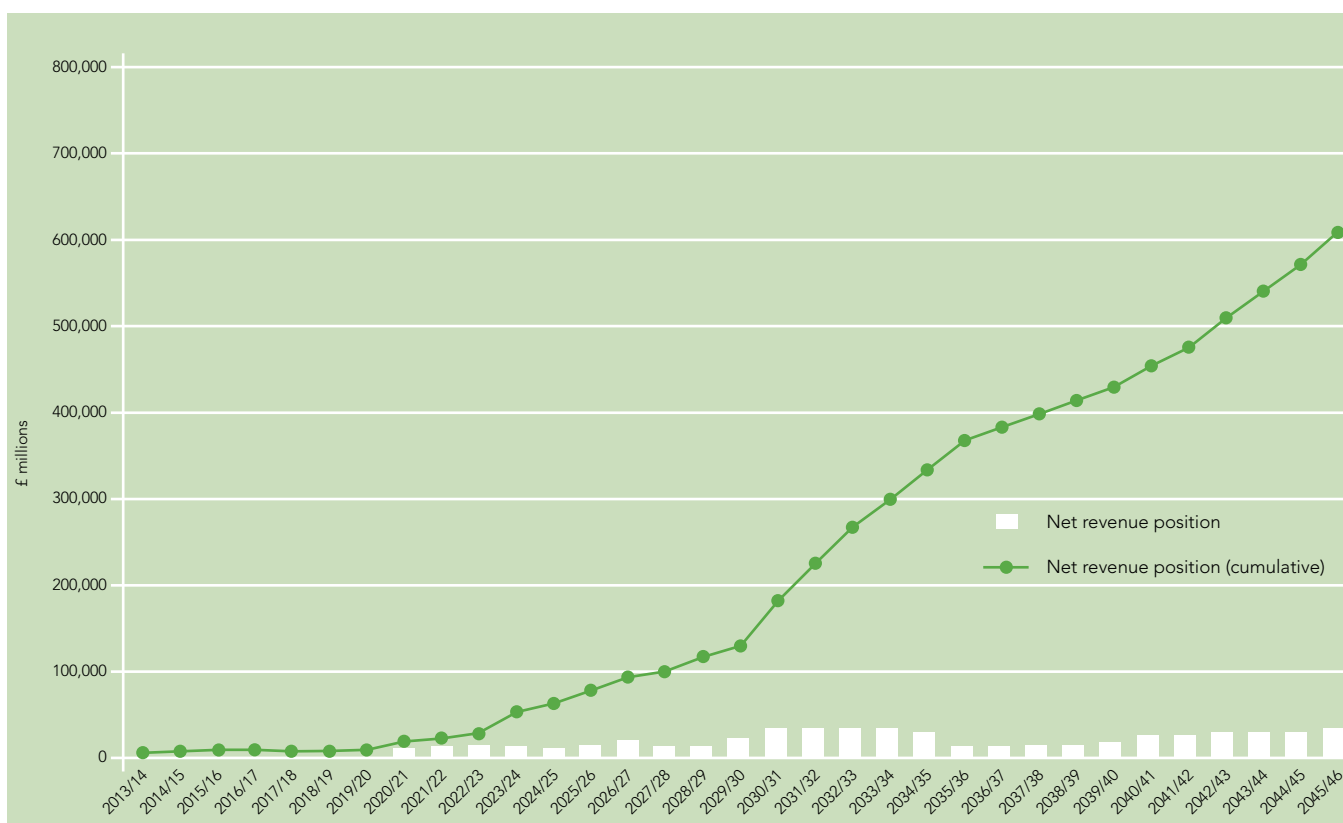
- **Secured** - Business rates paid or legally due.
- **Committed** - Construction on site or guaranteed via legal agreement therefore business rates income reasonably secure.
- **Other Committed** - Paradise Circus Phase 1 and 2 business rates income committed via Joint Venture agreement.
- **Not Committed** - Development not yet started therefore business rates income not yet secured.

Expenditure

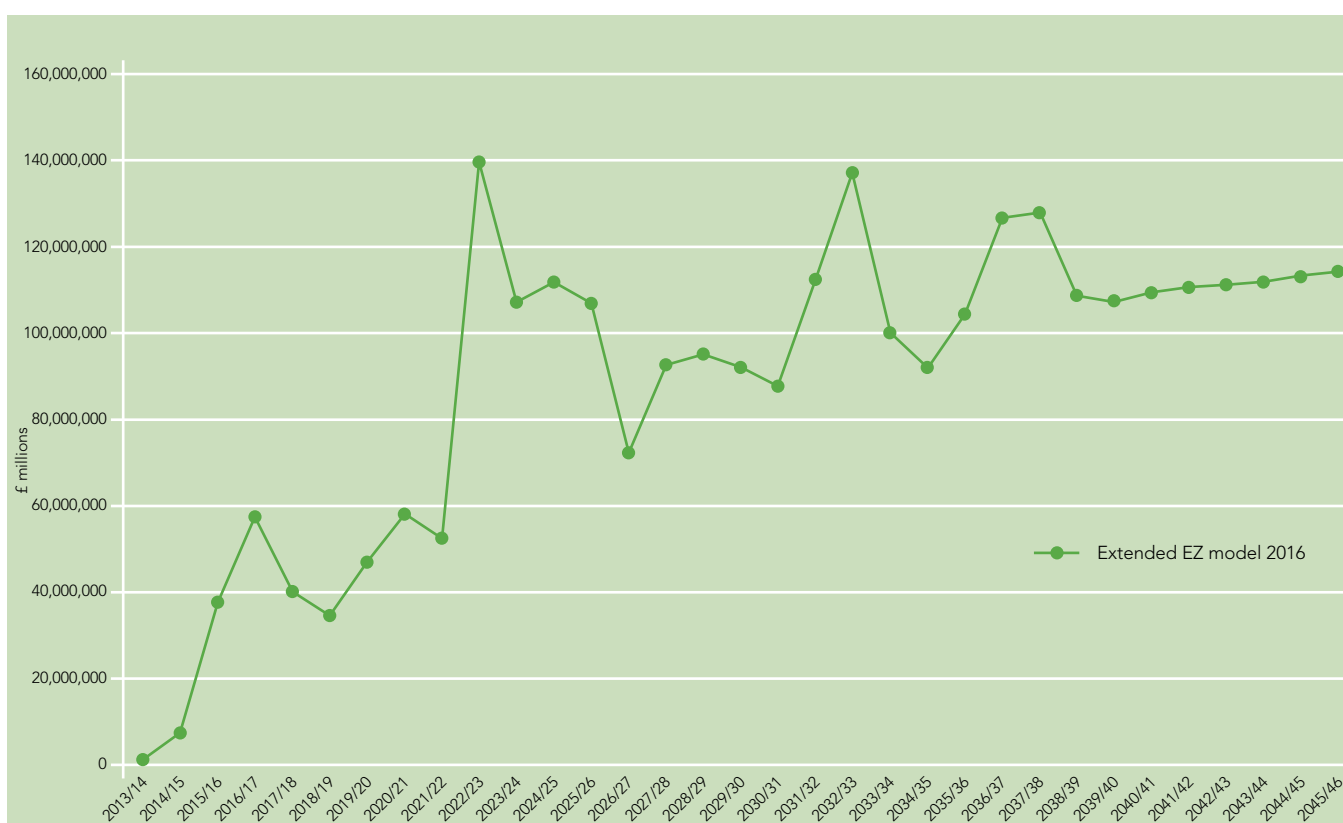
The EZ Programme has a planned capital investment programme value of £929m and a revenue programme of £89m to support delivery over the remaining 30 year time frame of the EZ. Included within these proposals is support to other key LEP priorities such as the HS2 Midlands Growth Strategy and the Strategic Economic Plan.



Graph 1 Projected business rate uplift income (£m)



Graph 2 Affordability net revenue position - annual and cumulative



Graph 3 Total capital and revenue expenditure profile (including infrastructure financing costs and contingency sums)

THIS AGREEMENT is dated [] 2016

PARTIES

1. **THE SECRETARY OF STATE FOR COMMUNITIES AND LOCAL GOVERNMENT** whose principal address is 2 Marsham Street, London, SW1P 4DF (**Secretary of State**); and
2. **BIRMINGHAM CITY COUNCIL** who acts as the representative and the accountable body for Greater Birmingham & Solihull Local Enterprise Partnership and whose principal address is [INSERT ADDRESS] (**Accountable body on behalf of the Local Enterprise Partnership**)

BACKGROUND

- A The Secretary of State has the power to declare an area to be an Enterprise Zone.
- B. Enterprise Zones are single or multiple sites designated for business development which may offer business rate discounts or enhanced capital allowance for new businesses locating on the sites. The local authority on which an Enterprise Zone is situated is entitled to use any increase in business rates they collect from each Enterprise Zone site to support the further development of the Enterprise Zone and any other neighbouring areas in agreement with the Local Enterprise Partnership.
- C. Enterprise Zones are designated as such by the Secretary of State with the agreement of the Chancellor of the Exchequer and operated by an accountable body in agreement with the Local Enterprise Partnership.
- D. A Local Enterprise Partnership is a voluntary partnership between local authorities and businesses to help determine local economic priorities and lead economic growth within their local area. As Local Enterprise Partnerships are not corporate bodies, they enter into agreements through an accountable local authority on their behalf.
- D. Taking account of the attached Schedule 1, the Secretary of State offers the Local Enterprise Partnership the right to extend and operate the Enterprise Zone subject to the terms and conditions set out within the other paragraphs of this agreement.

IT IS AGREED THAT:

1 DEFINITIONS

In this Agreement the following words and phrases shall have the following meanings:

“**Accountable Body**” means the local authority responsible for the organisation and operation of the Enterprise Zone in line with plans agreed with the Local Enterprise Partnership. “**Enterprise Zone**” means one or more sites which under the Regulations (as amended from time to time) are able to offer specific business incentives and permitted by the Secretary of State to market themselves as such.

“Regulations” means ‘Capital Allowances (Designated Assisted Areas) Order 2016’, ‘Non-Domestic Rating (Designated Areas) Regulations 2016’, and ‘Non-Domestic Rating (Rates Retention) Regulations 2013’.

“Term” means the earlier of 31 March 2020 or either party giving written notice to the Local Enterprise Partnership to terminate the Enterprise Zone status under clause 5 excepting the dates for the termination of the right to benefit from business incentives which will be as set out in paragraph 2.

“Working Day” means a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business

2 AGREEMENT TO EXTEND THE ORIGINAL ENTERPRISE ZONE

2.1 Having relied upon the representations made by the Local Enterprise Partnership as part of ‘The Midlands HS2 Growth Strategy’ (April 2015), the Secretary of State offers the Local Enterprise Partnership the right to extend the number of sites in the Enterprise Zone, subject to the terms of this agreement, including the right to benefit from the following business incentives :

- Permitting Birmingham City Council to retain 100% of any business rate increase which accrues until 31 March 2046 for all original Enterprise Zone sites and for the additional sites as set out in Schedule 1a from the commencement date (this being 1 April 2016), providing such sums are directed towards the development of the Enterprise Zone, supporting the HS2 Local Growth Strategy, and thereafter towards the Local Enterprise Partnership’s identified growth priorities;
- Central government will reimburse to the relevant local authorities all the costs of providing each business occupying an original Enterprise Zone site (schedule 1A) a 100% discount on business rates for five years up to the maximum state aid de minimis threshold, for businesses that enter the zone before 31 March 2018, e.g. if a business enters the zone on 31 March 2018, it can receive the discount (subject to de minimis) until 30 March 2023 ;
- The accountable body in agreement with their Local Enterprise Partnership can agree to other local authorities benefitting from the zone during the Term provided they have entered into an inter-party agreement as set out in 3.2 (a) and meet the relevant requirements in the Regulations.

3 TERMS AND CONDITIONS

3.1 The accountable body on behalf of the Local Enterprise Partnership agrees, having undertaken due investigation, that at the date of this Agreement:

- (a) It is not aware of any information which is likely to materially undermine the ability of the Local Enterprise Partnership to deliver the Enterprise Zone

extension in accordance with the principles and outcomes outlined in the HS2 Local Growth Strategy; and

- (b) It is not aware of any information, which is likely to significantly delay the Local Enterprise Partnership in delivering the extended Enterprise Zone.

3.2 The accountable body on behalf of the Local Enterprise Partnership confirms, having undertaken this investigation, that:

- (a) 3.2 (a) It has obtained or shall use all reasonable steps to promptly obtain necessary approvals, authorisations, consents, exemptions, licences, permits, permissions (including planning permission) or registrations necessary to deliver the extended Enterprise Zone (ie those sites in Schedule 1B) ;
- (b) It has or will secure the expertise and capacity to extend the Enterprise Zone;
- (c) It will undertake all the steps to extend the Enterprise Zone and confirm that each of these shall be achieved compliantly (including but not limited to achieving compliance with applicable procurement, state aid and planning law); and
- (d) It will deliver the relevant incentives at Schedules 1A and 1B for the period set out in this Agreement.

3.3 The Local Enterprise Partnership has agreed to:

- (a) establish a Curzon Delivery Board which is able to make strategic and operational decisions relating to the implementation of the Enterprise Zone extension. This shall include representatives of the Accountable Board and shall meet at least quarterly and report to the Local Enterprise Partnership Board and HS2 Delivery Board; and
- (b) enter into agreements with each local authority on which an Enterprise Zone site is situated and any other Local Enterprise Partnerships involved in the delivery of the Enterprise Zone. Such agreements should include the objectives and priorities for the Enterprise Zone as well as terms necessary to give effect to this Agreement. This should include, but not be limited to, the use of business rates retained by the local authority(ies), how the local authority(ies) will use their general power of competence to support the Enterprise Zone, including but not limited to Compulsory Purchase Orders, simplified planning regimes, development orders, Joint Ventures and borrowing to support investment and arrangements for the provision of monitoring data). Where during the Term, new local authorities become involved in the Enterprise Zone or the legal status of Local Enterprise Partnerships involved in the Enterprise Zone changes, the Secretary of State may direct that the Local Enterprise Partnership enters into new agreements under this clause, or assists in getting such organisations to become party to this Agreement.

- (c) Use any government grant vested in the accountable body for the purposes of supporting the delivery of the Enterprise Zone and which shall be spent on the Enterprise Zone as agreed with the Local Enterprise Partnership and in compliance with the relevant laws.

3.4 Implementation Plan

The accountable body on behalf of the Local Enterprise Partnership shall provide the Secretary of State their Implementation Plan for the phase 1 programme for the EZ extension (which sets out the major steps and the individual(s) and organisation(s) who will operate and deliver the objectives and priorities which have been agreed for the Enterprise Zone) no later than 31 March 2017. This will be further updated and developed at appropriate intervals by the Local Enterprise Partnership.

3.5 DCLG Enterprise Zone team shall support :

- (a) the set up and delivery of the Enterprise Zone (in particular through the contact for the Enterprise Zone, Ian Smith (e-mail: ian.smith@bis.gsi.gov.uk phone: 0121 345 1237)) who shall advise on the procedures for extending the zone and resolving issues which may arise in relation to government funding or legal arrangements. The Local Enterprise Partnership and the accountable body shall be informed if there is a change in the DCLG Enterprise Zone team contact.
- (b) Enterprise Zones by providing information on the Enterprise Zone to the market via press releases, its national Enterprise Zone website, twitter account and other media.
- (c) Collaboration by inviting senior leaders from all England's Enterprise Zones to meet to discuss progress, challenges and good practice with senior government officials and Ministers.

This support shall be provided up until 31 March 2020 and may be renewed / subject to alteration following that date.

3.6 The accountable body on behalf of the Local Enterprise Partnership shall:

- (a) send the DCLG Enterprise Zone team contact details of the primary point of contact ("**Local Enterprise Contact**") for the Enterprise Zone within 20 Working Days of entering into this Agreement. The DCLG Enterprise Zone team contact shall be informed if there is a change in the Local Enterprise contact.
- (b) A DCLG representative will attend the Curzon Programme Board and HS2 Delivery Board, where the progress on delivery of the EZ extension will be reported and discussed.

3.7 Marketing

The Local Enterprise Partnership has agreed to use all reasonable endeavours to

- (a) promote the Enterprise Zone.
- (b) share with the Secretary of State a marketing plan for the Enterprise Zone within six months of entering into this Agreement.
- (c) use Enterprise Zone and GSBLEP logos within marketing communications and signage.

3.8 Monitoring

The accountable body on behalf of the Local Enterprise Partnership agree to use all reasonable endeavours to complete the management information at Schedule 2 within 21 Working Days of the commission from DCLG, which will be quarterly at the end of January, April, July and October.

4. CHANGES

All changes to the text of this agreement must be approved by the Secretary of State in writing prior to the relevant change being deemed to be effective. Until such time as a change is made in accordance with this clause, the parties shall, continue to perform this Agreement in compliance with its terms before such change.

5. TERMINATION

- (a) The Secretary of State shall be entitled to suspend or withdraw the right of the Local Enterprise Partnership to market an Enterprise Zone if it acts in a way which significantly damages the reputation of the Enterprise Zone Programme or if there has been a material breach of this Agreement.
- (b) The Local Enterprise Partnership with the agreement of all local authorities and any other Local Enterprise Partnerships involved in delivering the Enterprise Zone is entitled to ask for the Enterprise Zone status to be rescinded by submitting notice in writing.

6. GOOD FAITH AND COOPERATION

Each party covenants with the other that they shall act with the utmost good faith towards the other, shall comply with reasonable requests for information in relation to the Enterprise Zone submitted from time to time and will not do anything which would deliberately put the other in breach of its obligations under this Agreement.

7. MISCELLANEOUS

Nothing in this Agreement shall constitute a partnership or joint venture between the parties.

ACCEPTANCE

This Agreement has been entered into on the date stated at the beginning of it.

Signed for and behalf of

SECRETARY OF STATE FOR)

COMMUNITIES)

AND LOCAL GOVERNMENT)

Authorised Signatory: _____

Print Name: _____

Signed for and on behalf of

[BIRMINGHAM CITY COUNCIL]

Authorised Signatory: _____

Print Name: _____

The following parties are aware of the requirements of this agreement (including the Application) and shall support and assist development and delivery of the Enterprise Zone throughout the Term.

GREATER BIRMINGHAM & SOLIHULL LOCAL ENTERPRISE PARTNERSHIP

Authorised Signatory:

Print Name:

BIRMINGHAM CITY COUNCIL

Authorised Signatory:

Print Name:

SCHEDULE 1A – ORIGINAL SITES AND INCENTIVES (from 1 April 2013)

PLEASE SEE ATTACHED SPREADSHEET

SCHEDULE 1B – ADDITIONAL SITES AND INCENTIVES (from 1 April 2016)

PLEASE SEE ATTACHED SPREADSHEET

SCHEDULE 2 – MANAGEMENT INFORMATION

Q1* What was the value of the retained rates that were reinvested in the Enterprise Zone in the last financial year?

Q2* What was the value of the retained rates that were reinvested in the LEP area in which the Enterprise Zone is situated, including the amount in Q1, in the last financial year?

Q3* What was the value of the borrowing against retained rates undertaken by the LEP accountable body or the EZ local authority in the last financial year?

Q4 What was the change in the number of newly created jobs, excluding construction jobs, on the Enterprise Zone in this quarter?

Q5 What was the change in the number of newly created construction jobs on the Enterprise Zone in this quarter?

Q6 What was the change in the number of jobs that were safeguarded on the Enterprise Zone in this quarter?

Q7 Was a Local Development Order introduced on the zone or a part of the zone this quarter?

Q8 What was the change in the number of businesses that started trading on the zone this quarter?

Q9 What was the value of any new public sector capital investment on the zone this quarter? Do not include borrowing against retained rates.

Q10 What was the value of any new public sector revenue investment on the zone this quarter?

Q11 What was the value of any new private sector investment on the zone this quarter (excluding non-monetary investment)?

Q12 What was the value of any new private sector non-monetary investment on the zone this quarter, e.g. use of facilities, staff?

Q13 What area of land was reclaimed and made ready for development on the zone this quarter?

Q14 What commercial floorspace was constructed on the zone in this quarter?

Q15 What commercial floorspace was refurbished on the zone this quarter?

Q16* "What was the market rate for leasing commercial floorspace on the Enterprise Zone as of the current date?"

Q17 What land sales were there on the zone this quarter?