

**BIRMINGHAM CITY COUNCIL****PUBLIC REPORT**

<b>Report to:</b>	<b>Leader of the Council and Strategic Director, Major Programmes &amp; Projects – Corporate Resources</b>
<b>Report of:</b> <b>Date of Decision:</b>	<b>Strategic Director, Major Programmes &amp; Projects</b> <b>December 2016</b>
<b>SUBJECT:</b>	<b>HS2 BIRMINGHAM INTERCHANGE – UPDATE</b>
<b>Key Decision: No</b>	<b>Relevant Forward Plan Ref: N/A</b>
<b>If not in the Forward Plan:</b> <b>(please "tick" box)</b>	<b>Chief Executive Approved</b> <input type="checkbox"/> <b>O &amp; S Approved</b> <input type="checkbox"/>
<b>Relevant Cabinet Member:</b>	<b>Councillor John Clancy - Leader of the Council</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Councillor Zafar Iqbal, Economy, Skills and Transportation O&amp;S Committee</b>
<b>Wards affected:</b>	<b>Outside Boundary</b>

**1. Purpose of report:**

- 1.1 This report seeks to update the Cabinet Member on the progress made in supporting the HS2 Interchange station development and the sustainable inclusive economic growth at the adjoining Arden Cross site.
- 1.2 The subject property is shown edged black on the enclosed plan at appendix 1.
- 1.3 An accompanying Private Report contains confidential information on the disposal.

**2. Decision(s) recommended:**

The Leader of the Council :

- 2.1 Note the progress made.

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### **3. Consultation**

#### **3.1 Internal**

The site is outside the City boundary.

The Strategic Director – Finance & Legal, the Acting City Solicitor and other relevant officers from the Economy and Place Directorates have been involved in the preparation of this report.

#### **3.2 External**

No external consultation has taken place regarding the content of this report.

### **4. Compliance Issues:**

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

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

#### **4.2 Financial Implications**

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

#### **4.3 Legal Implications**

The Council's powers to reorganise and manage assets in land and property are set out in Sections 120 and 123 Local Government Act 1972 and cost commitment incidental thereto is authorised by Section 111 Local Government Act 1972.

#### **4.4 Public Sector Equality Duty**

Having carried out an initial screening on the 5<sup>th</sup> of December 2016, there is no requirement to undertake a full equality analysis.

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

- 5.1 Cabinet on 20th October 2014 agreed to the Council being party to a Collaboration Agreement comprising Birmingham City Council, the Wingfield-Digby Estate and Solihull Metropolitan Borough Council (SMBC) who together own almost all of the land inside the Interchange Triangle site that is the bound by the M42, A45 and A452 [as shown in Appendix 1]. The 4 parties entered into the Collaboration Agreement on 28<sup>th</sup> November 2014.
- 5.2 Under the Collaboration Agreement the parties have been working together as the Arden Cross Consortium to create a high quality viable mixed use development that supports the UK Central vision, in order to capitalise on the potential to deliver managed regional growth and long term investment returns and also to explore the opportunities located at the Interchange Site by engagement with both local and central Government leading to an Arden Cross Masterplan that highlights the growth opportunity presented by this unique location and to allow the site to be brought forward for development.
- 5.3 The Arden Cross site is a major mixed use sustainable inclusive economic growth opportunity that has been created at the 140ha Arden Cross site. The long term nature of the project, 30 plus years is a key consideration and a phased delivery programme is envisaged, supported by significant amounts of public infrastructure investment.
- 5.4 HS2 is the major transport infrastructure facilitator to build the phase 1, high speed railway link from London Euston to Birmingham Curzon Street via the station at the Interchange Site, which will begin operation in 2026. The HS2 Interchange Station will be connected to the West Coast mainline, NEC and Birmingham Airport by a people mover.
- 5.5 The current HS2 Hybrid Bill which is due to gain Royal ascent in early 2017 will deliver a parkway station with around 7,500 surface level car parking spaces.
- 5.6 The opportunity to enhance the Hybrid Bill through a mixed use development that will deliver the economic growth for the region that both central and local Government desire, is recognised by SMBC who established UK Central which attempts to connect key economic assets along the M42 corridor to unlock growth opportunities. Within UK Central, the hub area comprises of the NEC, Airport, Birmingham International rail station, Birmingham Business Park, Jaguar Land Rover and the HS2 Interchange site and is seen as the catalyst for driving growth within this immediate area.
- 5.7 The Interchange site is currently designated as Green belt in the SMBC Local Plan. SMBC are currently undertaking a review of this Local Plan which will recommend that site is taken out of the Green Belt. The potential scale of growth envisaged by SMBC was outlined in their 'Garden City Prospectus' and recognises the opportunity to create more than 2,000 new homes, 246,000m of quality commercial, retail, leisure and public realm.
- 5.8 Arden Cross is working on its proposal to create a high quality, viable mixed use development which comprises a sustainable urban quarter that supports UK Central and regional sustainable inclusive economic growth and the potential opportunity that a HS2 station will enable.

**6. Evaluation of alternative option(s):**

- 6.1 Not to proceed with the strategy would mean that the land may not be developed to its full potential and the opportunity to maximise the sustainable inclusive economic growth potential will be lost.
- 6.2 An alternative option would be for the Council to pursue the development of its own land in isolation however, that is unlikely to provide sufficient land to deliver sufficient development to fund the necessary infrastructure works to service the site. The collaborative approach with the other landowners creates a significantly larger economy of scale and land mass, where the costs can be shared.

**7. Reasons for Decision(s):**

- 7.1 To appraise the Leader of the Council of the ongoing collaborative working at Arden Cross and the HS2 Interchange site.

**Signatures**

**Date**

Cllr John Clancy  
Leader of the Council

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Paul Dransfield  
Strategic Director,  
Major Programmes & Projects

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**List of Background Documents used to compile this Report:**

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

1) Appendix 1 – Site Plan

<b>Report Version</b>	5	<b>Dated</b>	Dec 2016
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